

**Duquesne Light Company  
Distribution Rate Case  
Docket No. R-2018-3000124**

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**Duquesne Light Company  
Before The Pennsylvania Public Utility Commission**

Witness: Davis  
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**Historic Test Year - 12 Months Ended December 31, 2017**

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**Duquesne Light Company  
Before The Pennsylvania Public Utility Commission**

**Historic Test Year - 12 Months Ended December 31, 2017**

**Witness: Davis**  
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**STATEMENT OF REASONS**  
**52 Pa. Code § 53.52(a)(1)**

**INTRODUCTION**

Duquesne Light Company (“Duquesne Light” or the “Company”) is responsible for providing adequate, efficient, safe and reliable electric service to its customers and must have the ability to raise capital to meet such requirements. The Company is allowed to charge just and reasonable rates as established by the Pennsylvania Public Utility Commission (“Commission”) that provide the Company with a fair opportunity to recover its operating costs and earn a fair return on its investment. This is accomplished through a rate case process.

In this filing, Duquesne Light is requesting that the Commission approve an overall annual increase in distribution revenue of approximately \$133.8 million. Included in the requested increase is approximately \$52.2 million in revenue currently collected through three existing Commission approved surcharges, resulting in a net increase in distribution revenue of approximately \$81.6 million. If granted by the Commission as filed, this request would produce a system average increase in distribution rates of approximately 16.13 percent and an increase in total rates (distribution, transmission and generation charges) of approximately 8.82 percent for a typical residential using 600 kilowatt-hours per month and taking default power service from the Company. The percentage increase in rates differs for each individual rate class.

**DUQUESNE LIGHT COMPANY’S COSTS**

Duquesne Light has controlled its operation and maintenance expenses by implementing process improvements and deploying cost saving measures. Nevertheless, the cost of providing electric distribution service has increased since the last distribution rate increase in May 2014. Significant cost increases have occurred in many areas, including increased investment in facilities to maintain high levels of service and reliability, increased investment in information technology, increased operation and maintenance expenses to maintain safe and reliable service, including expenses associated with the Smart Meter Charge Rider and the Distribution System Improvement Charge Rider included in base rates and the expenses associated with the development of an electrical model. In addition, the Company’s net plant will have increased by approximately \$512 million as of the end of the fully projected future test year in the 2013 base rate case through December 31, 2019.

**DUQUESNE LIGHT’S FINANCIAL CONDITION**

Absent increases in rates, Duquesne Light’s financial condition would continue to decline in the fully projected future test year due to continued capital expenditures, increased operating expenses, and a significant decline in customer sales. On a pro forma basis for the fully projected future test year, Duquesne Light anticipates an overall return on rate base of only 5.27% absent rate relief. These financial results do not provide a return that will permit the Company to attract

new capital on reasonable terms. Revenues at present rates do not provide the Company the opportunity to earn a fair return and simply do not provide sufficient funds for Duquesne Light to adequately operate its business, abide by federal and state requirements, and provide reliable electric service to its customers.

### **RELIABLE ELECTRIC SERVICE**

Duquesne Light has consistently provided its customers with service at reliability levels as measured by SAIDI and SAIFI that are at or near the top of the levels provided by all of the major Pennsylvania electric distribution companies. Duquesne Light has increased efficiency and reliability through the use of technology, such as automated meter reading systems and automated control systems that continuously monitor remote switches that can be operated to re-route power during storms and other outages to quickly restore service to large blocks of customers. The Company also implemented a Long Term Infrastructure Improvement plan to address ageing infrastructure and improve its reliability

### **CUSTOMER SERVICE**

Duquesne Light has consistently provided high levels of customer service. The Company has implemented a series of programs, supported by technology and process improvements, to enhance the customer experience, including a payment arrangement portal, CAP enrollment automation and a high bill advisory tool. In 2017, the Company received the prestigious J.D. Power Electric Utility Business Customer Satisfaction Study<sup>SM</sup> Award, finishing first in the East Mid-size segment, and second nationwide. Also in 2017, the Company finished first in PA for electric utilities with the shortest response times to customer complaints and requests for payment arrangements.

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule B-1**  
**Witness: Ankrum**  
**Page 1 of 2**

**Balance Sheet**

[ 1 ]

Line No	Description/(Account No)	HTY Ended 12-31-17
<b>UTILITY PLANT</b>		
1	Utility Plant (101-106, 108)	\$ 4,112,396
2	Other Utility Plant	-
3	Total Plant In Service	4,112,396
4	Construction Work In Progress (107)	137,018
5	Total Utility Plant	4,249,414
6	Accumulated Provision for Depreciation	(1,309,692)
7	Net Utility Plant	2,939,722
<b>OTHER PROPERTY INVESTMENTS</b>		
8	Non-utility Property (121)	4,509
9	Accumulated Depreciation on NUP (122)	(332)
10	Invest in Subsidiary Company (123.1)	-
11	Other Investments (124)	247
12	Other Special Funds (128)	539
13	Special Funds - Non Major Only (129)	-
14	Long Term Portion of Derivative Assets (175.1)	-
15	Total Other Property and Investments	4,963
<b>CURRENT AND ACCRUED ASSETS</b>		
16	Cash & Other Temporary Investments(131-136)	24,166
17	Customer Accounts Receivable (142)	150,542
18	Other Accounts Receivable (143)	9,135
19	Accum Provision for Uncollectible (144)	(18,912)
20	Accounts Receivable Assoc. Comp. (146)	8
21	Plant Materials & Supplies (154)	23,563
22	Stores Expense - Undistributed (163)	-
23	Prepayments (165)	9,445
24	Interest & Dividends Receivable (171)	18
25	Miscellaneous Current & Accrued Assets (174)	-
26	Derivative Instrument Assets (175)	-
27	(Less) Long Term Portion of Derivative Assets (175.1)	-
28	Total Current and Accrued Assets	197,965
<b>DEFERRED DEBITS</b>		
28	Unamortized Debt Expense (181)	6,394
29	Other Regulatory Assets (182.3)	269,136
30	Clearing Accounts (184)	-
31	Temporary Facilities(185)	-
32	Miscellaneous Deferred Debits (186)	1,460
33	Unamortized Loss on Reacquired Debt (189)	23,023
34	Accumulated Deferred Income Taxes (190)	90,703
35	Total Deferred Debits	390,716
36	<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 3,533,366</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
Historic Test Year - 12 Months Ended December 31, 2017  
(\$ in Thousands)

Schedule B-1  
Witness: Ankrum  
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**Balance Sheet**

[ 1 ]

Line No	Description/(Account No)	HTY Ended 12-31-17
<b>PROPRIETARY CAPITAL</b>		
1	Common Stock Issued (201)	\$ -
2	Preferred Stock Issued (204)	-
3	Premium on Capital Stock (207)	-
4	Other Paid-in-Capital (208-211)	985,348
5	Capital Stock Expense (214)	-
6	Retained Earnings (215, 215 2, 216, 261.1)	226,448
7	Accum Other Comprehensive Income (219)	266
8	<b>Total Propriety Capital &amp; Margins</b>	<b>1,212,062</b>
<b>LONG TERM DEBT</b>		
9	Bonds (221)	1,010,000
10	Advances from Associated Companies (223)	-
11	Other Long-Term Debt (224)	109,905
12	Unamortized Premium on LTD (225)	-
13	Unamortized Discount on LTD (226)	-
14	<b>Total Long-term Debt</b>	<b>1,119,905</b>
<b>OTHER NON-CURRENT LIABILITIES</b>		
15	Obligations under Capital Leases (227)	-
16	Accum. Prov for Injuries & Damages (228 2)	5,044
17	Accum. Prov for Pensions & Benefits (228.3)	28,976
18	Accum. Miscellaneous Operating Prov (228.4)	2,611
19	Long-Term Portion of Derivative Instrument Liabilities	1,683
20	<b>Total Long-term Debt</b>	<b>38,314</b>
<b>CURRENT &amp; ACCRUED LIABILITIES</b>		
21	Notes Payable (231)	50,000
22	Accounts Payable (232)	118,526
23	Notes Payable to Assoc. Companies (233)	-
24	Accounts Payable to Assoc. Cos (234)	282
25	Customer Deposits (235)	11,509
26	Taxes Accrued (236)	13,819
27	Interest Accrued (237)	16,044
28	Dividends Declared (238)	-
29	Tax Collections Payable (241)	862
30	Misc Current & Accrued Liabilities (242)	28,494
31	Derivative Instrument Liabilities (244)	-
32	Less: Long Term Portion of Derivative Inst. Liab Hedge	-
33	<b>Total Current &amp; Accrued Liabilities</b>	<b>239,536</b>
<b>OTHER DEFERRED CREDITS</b>		
34	Customer Advances for Construction (252)	2,309
35	Other Deferred Credits (253)	135,657
36	Other Regulatory Liabilities (254)	129,744
37	Deferred Investment Tax Credit (255)	-
38	Unamortized Gain on Reacquired Debt (257)	-
39	Accumulated Deferred Income Taxes (282)	655,839
40	Accumulated Deferred Income Taxes (283)	-
41	<b>Total Other Deferred Credits</b>	<b>923,549</b>
42	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>\$ 3,533,366</b>

Exhibit 4 HTY As Filed 3-28-18

B\_1\_p2 (A66 J130)

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule B-2**  
**Witness: Ankrum**  
**Page 1 of 1**

**Statement of Net Utility Operating Income**

Line No	Description	[ 1 ] Reference	[ 2 ] HTY Ended 12-31-17
<b>Total Operating Revenues</b>			
1	Total Sales Revenues	B-3	\$ 799,802
2	Sales for Resale	B-3	1,433
3	Other Operating Revenues	B-3	108,428
4	Total Revenues		909,663
<b>Total Operating Expenses</b>			
5	Operation & Maintenance Expenses	B-4	443,996
6	Depreciation Expense	D-17	144,874
7	Other Amortization	D-17	6,306
8	Amortization of Regulatory Assets		-
9	Taxes Other Than Income Taxes	B-5	53,393
10	Total Operating Expenses		648,569
11	Operating Income Before Income Taxes (OIBIT)		261,094
Income Taxes:			
12	State	B-5	13,163
13	Federal	B-5	78,117
14	Total Income Taxes		91,280
15	<b>Net Utility Operating Income</b>		<b>\$ 169,814</b>



**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule B-3**  
**Witness: Ankrum**  
**Page 1 of 1**

**Statement of Operating Revenues**

[ 1 ]

Line No	Description	HTY Ended 12-31-17
<b>Electric Operating Revenues</b>		
Sales of Electricity:		
1	Total Distribution	\$ 515,968
2	Total Generation	223,694
3	Transmission Revenue	60,140
4	Total Sales to Ultimate Customers	799,802
5	Sales for Resale/Account 447	1,433
6	Total Sales Revenue	801,235
<b>Other Operating Revenues</b>		
Forfeited Discounts/Account 450:		
7	Late Payment Charges	3,684
8		217
9	Returned Check Charges	392
10	Total Account 450	4,293
11	Miscellaneous Service Revenues	197
12	DL Transmission Dispatch	739
Rent from Electric Property/Account 454:		
13	Rent - Electric Property	7,970
14	Customer Work - Reimburse / & O&M Fixed	1,452
15	Customer Work - Reimb O&M Fixed / Pole Attach	1,111
16	Total Account 454	10,533
Other Electric Revenues/Account 456:		
20	Other Electric Revenues (456 01)	274
21	AES BV Partners - Transmission	-
22	Dominion Marketing Revenue	295
23	PHM DLCO Firm	-
23	Transmission - EGS	85,467
23	Transmission - Wholesale	6,317
23	Transmission - Tax Norm	313
24	Total Other Revenue	92,666
25	<b>Total Other Operating Revenues</b>	<b>108,428</b>
26	<b>Total Operating Revenues</b>	<b>\$ 909,663</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule B-4**  
**Witness: Ankrum**  
Page 1 of 2

**Operation and Maintenance Expenses**

[ 1 ]

Line No	Description	Account No	HTY Ended 12-31-17
<b>Purchased Power Expenses:</b>			
1	Purchased power	555	\$ 211,929
2	Other Power Supply Expense	557	-
3	Total Purchased Power Expenses		<u>211,929</u>
<b>Transmission Expense:</b>			
4	Operation Supervision & Engineering	560	637
5	Load Dispatching	561	787
6	Station Expenses	562	73
7	Overhead Line Expenses	563	410
8	Underground Line Expenses	564	66
9	Transmission of Electricity by Others	565	-
10	Miscellaneous Transmission Expenses	566	4,565
11	Rents	567	-
12	Maintenance Supervision & Engineering	568	404
13	Maintenance of Structures	569	906
14	Maintenance of Station Equipment	570	1,470
15	Overhead Lines	571	463
16	Underground Lines	572	84
17	Miscellaneous Maintenance & Repair	573	257
18	Total Transmission Expenses		<u>10,121</u>
<b>Distribution Expense:</b>			
19	Operation Supervision & Engineering	580	4,968
20	Load Dispatching	581	1,077
21	Station Expenses	582	325
22	Overhead Line Expense	583	718
23	Underground Line Expense	584	352
24	Street Lighting & Signal Systems	585	-
25	Meter Expenses	586	940
26	Customer Installations Expense	587	-
27	Miscellaneous Expenses	588	7,183
28	Rents	589	-
29	Total Distribution Operation Expenses		<u>15,562</u>
30	Maintenance Supervision & Engineering	590	301
31	Maintenance of Structures	591	136
32	Maintenance of Station Equipment	592	2,675
33	Maintenance of OH Lines	593	23,959
34	Maintenance of Underground lines	594	1,264
35	Maintenance of Line Transformers	595	34
36	Maintenance of Street Lighting & Signals	596	386
37	Maintenance of Meters	597	403
38	Maintenance of Miscellaneous Plant	598	256
39	Total Distribution Maintenance Expenses		<u>29,414</u>
40	Total Distribution Expenses		<u>44,977</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule B-4**  
**Witness: Ankrum**  
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**Operation and Maintenance Expenses**

[ 1 ]

Line No	Description	Account No	HTY Ended 12-31-17
<b>Customer Accounting Expense:</b>			
41	Supervision	901	3,345
42	Customer Assistance	902	3,393
43	Records & Collections	903	9,263
44	Uncollectible Accounts	904	5,616
45	Miscellaneous Expenses	905	-
46	Total Customer Accounts Expense		<u>21,616</u>
<b>Customer Services Expense:</b>			
47	Customer Service-Supervision	907	-
48	Customer Service-Customer Assistance	908	24,743
49	Customer Service-Information and Instruction	909	-
50	Customer Service-Miscellaneous Service & Info	910	-
51	Total Customer Service & Informational Expenses		<u>24,743</u>
<b>Sales Expense:</b>			
52	Supervision	911	-
53	Demonstration and Selling Expenses	912	-
54	Advertising Expenses	913	-
55	Miscellaneous Sales Expenses	916	-
56	Total Sales Expense		<u>-</u>
<b>Administrative &amp; General Expenses:</b>			
57	Administrative and General Salaries	920	48,337
58	Office Supplies and Expenses	921	7,054
59	Administrative Expenses Transferred - Credit	922	-
60	Outside Services Employed	923	26,880
61	Property Insurance	924	5,344
62	Injuries and Damages	925	416
63	Employee Pensions and Benefits	926	12,203
64	Regulatory Commission Expenses	928	890
65	Regulatory Commission Expenses	929	-
66	General Advertising Expenses	930.1	-
67	Miscellaneous General Expenses	930.2	15,522
68	Rents	931	3,310
69	Total Operation		<u>119,956</u>
70	Maintenance of General Plant	935	<u>10,654</u>
71	Total Administrative and General Expenses		<u>130,610</u>
72	<b>Total Operation &amp; Maintenance Expenses-</b>		<u><u>\$ 443,996</u></u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule**      **B-5**  
**Witness:**     **Simpson**  
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**Detail of Taxes**

[ 1 ]

Line No	Description	Reference	HTY Ended 12-31-17
<b>Taxes Other Than Income Taxes</b>			
<b>Non-revenue related:</b>			
1	PA Real Estate Tax		\$ 527
2	Pennsylvania - PURTA		912
3	Capital Stock		-
4	Insurance Premiums		-
5	Miscellaneous Taxes		(533)
6	Subtotal	Sum L 1 to L 5	906
<b>Payroll Taxes</b>			
7	FICA		5,339
8	SUTA		260
9	FUTA		33
10	City of Pittsburgh		329
11	Subtotal	Sum L 7 to L 10	5,961
<b>Revenue Related:</b>			
12	State Gross Receipts Pennsylvania		46,526
13	Total Taxes Other Than Income Taxes	L 6 + L 11 + L 12	\$ 53,393
<b>Income Taxes</b>			
14	State		\$ 13,163
15	Federal		78,117
16	Total Income Taxes	L 14 + L 15	\$ 91,280

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule**      **B-6**  
**Witness:**    **Milligan/Moul**  
**Page**        **1 of 1**

**Rate of Return**  
**Fully Projected Future Test Year - 12 Months Ended December 31, 2019**

	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	
<u>Line No</u>	<u>Description</u>	<u>Capitalization</u>	<u>Capitalization Ratio</u>	<u>Embedded Cost</u>	<u>Statement Reference</u>	<u>Return - Percent</u>
1	Long-Term Debt	\$ 1,175,739	45.49%	4.60%	B-8	2.09%
2	Preferred Stock	-	0.00%	0.00%	N/A	0.00%
3	Common Equity	<u>1,409,057</u>	<u>54.51%</u>	10.95%		<u>5.97%</u>
4	Total	<u>\$ 2,584,796</u>	<u>100.00%</u>			<u>8.06%</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule**  
**Witness:** **B-7**  
Page 1 of 1 **Milligan/Moul**

**Capital Structure -- 12-31-18 and 12-31-19**

<u>Line</u> <u>No</u>	<u>Description</u>	<u>[ 1 ]</u>	<u>[ 2 ]</u>
		<u>December 31,</u>	
		<u>2018</u>	<u>2019</u>
<b>Capitalization</b>			
1	Long-Term Debt	\$ 1,173,701	\$ 1,175,739
2	Preferred Stock	-	-
3	Common Equity	1,314,247	1,409,057
		<hr/>	<hr/>
4	Total	<u>\$ 2,487,948</u>	<u>\$ 2,584,796</u>
<b>Capitalization Ratios</b>			
5	Long-Term Debt	47.18%	45.49%
6	Preferred Stock	0.00%	0.00%
7	Common Equity	52.82%	54.51%
		<hr/>	<hr/>
8	Total	<u>100.00%</u>	<u>100.00%</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule B-8**  
**Witness: Milligan/Moul**  
Page 1 of 1

**Composite Cost of Long-Term Debt -- 12-31-19**

Line No	Description	[ 1 ] Amount Outstanding	[ 2 ] Percent to Total	[ 3 ] Effective Interest Rate	[ 4 ] Average Weighted Cost Rate
<b><u>First Mortgage Bonds</u></b>					
1	4 76% Series S Due 2/3/2042	\$ 200,000	16.74%	4.81%	0.81%
2	4 97% Series T Due 11/14/2043	160,000	13.39%	5.01%	0.67%
3	5 02% Series U Due 2/4/2044	45,000	3.77%	5.06%	0.19%
4	5 12% Series V Due 2/4/2054	85,000	7.11%	5.16%	0.37%
5	3 78% Series W Due 3/2/2045	100,000	8.37%	3.81%	0.32%
6	3 93% Series X Due 3/2/2055	200,000	16.74%	3.95%	0.66%
7	3 93% Series Y Due 7/15/2045	160,000	13.39%	3.96%	0.53%
8	3 82% Series Z Due 10/3/2047	60,000	5.02%	3.87%	0.19%
9	3 89% Series AA Due 2/1/2048	60,000	5.02%	3.91%	0.20%
10	4 04% Series AB Due 2/1/2058	125,000	10.46%	4.06%	0.42%
11					
12					
13	Total Long Term Debt	1,195,000	100.00%		4.36%
14	Unamortized Call Premium	(19,261)			
15	Long-Term Debt	\$ 1,175,739			
16	Annualized Cost	\$ 52,088			
17	Amortization of Loss on Recacquired debt	2,038			
18	Total Cost	\$ 54,126			4.60%

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
 Historic Test Year - 12 Months Ended December 31, 2017  
 (\$ in Thousands)

Schedule C-1  
 Witness: O'Brien/Gorman  
 Page 1 of 1

**Measures of Value and Rate of Return**

		[ 1 ]	[ 2 ]	[ 3 ]
Line No	Description	<u>HTY Ended 12-31-17</u>		<u>Reference</u>
		<u>Total Electric Utility</u>	<u>Total PA Jurisdiction</u>	
1	<b>Total Measure of Value/Rate Base - Net</b>	<u>\$ 2,292,465</u>	<u>\$ 1,695,983</u>	D-1, page 3
<b>Pro Forma Return at Present rates</b>				
2	Amount	<u>\$ 157,593</u>	<u>\$ 96,846</u>	D-1, Page 2
3	Percent	<u>6.874%</u>	<u>5.710%</u>	L 2 / L 1
<b>Pro Forma Return at Proposed Rates</b>				
4	Amount		<u>\$ 136,696</u>	D-1, Page 1
5	Percent		<u>8.06%</u>	L 4 / L 1



**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
 Historic Test Year - 12 Months Ended December 31, 2017  
 (\$ in Thousands)

Schedule  
**Witness:** C-2  
 Page 1 of 4  
**Ankrum/O'Brien**

**Pro Forma Plant Summary**

Line #	Description	[ 1 ] Schedule	[ 2 ] HTY Ended 12/31/17 Recorded	[ 3 ] Adjustments	[ 4 ] Pro Forma HTY Ended 12/31/17
1	Intangible Plant	Sch. C-2, Page 3	\$ 263,005	\$ 5,177	\$ 268,182
2	Transmission Plant:	Sch. C-2, Page 3	899,262	-	899,262
3	Distribution Plant:	Sch. C-2, Page 3	2,621,711	-	2,621,711
4	General Plant:	Sch. C-2, Page 3	328,418	-	328,418
5	Sub Total Plant in Service	Sum (L 1 to L 4)	4,112,396	5,177	4,117,573
6	Completed Construction Not Classified	G/L a/c # 106	-	-	-
7	Plant In Service	L 5 + L 6	<u>\$ 4,112,396</u>	<u>\$ 5,177</u>	<u>\$ 4,117,573</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**

**Schedule**  
**Witness:**  
Page

**C-2**  
**Ankrum/O'Brien**  
2 of 4

(\$ in Thousands)  
**Pro Forma Plant by FERC Account**

[ 1 ]

[ 2 ]

<b>Line No</b>	<b>Description</b>	<b>Reference Or Factor</b>	<b>Account No</b>	<b>Pro Forma HTY Ended 12/31/17</b>
	<b>Intangible Plant</b>			
1	Organizations		301	100
2	Franchises & Consents		302	7
3	Software		303	262,898
4	Total Intangible Plant	Sum L 1 to L 3		<u>263,005</u>
	<b>Transmission Plant:</b>			
5	Land and Land Rights		350	14,000
6	Structures and Improvements		352	29,526
7	Station Equipment		353	396,213
8	Towers and Fixtures		354	65,195
9	Poles and Fixtures		355	51,420
10	Overhead Conductors & Devices		356	105,014
11	Underground Conduit		357	81,773
12	Underground Conduit & Devices		358	146,906
13	Roads and Trails		359	9,215
14	Other Transmission Plant			-
15	Subtotal Transmission Plant	Sum L 5 to L 15		<u>899,262</u>
	<b>Distribution Plant:</b>			
16	Land and Land Rights		360	13,298
17	Structures and Improvements		361	66,949
18	Station Equipment		362	454,902
19	Poles, Towers and Fixtures		364	440,584
20	Overhead Conductors and Devices		365	470,559
21	Underground Conduit		366	147,123
22	Underground Conductors and Devices		367	383,050
23	Line Transformers		368	385,605
24	OH & UND Services		369	96,663
25	Meters & Appurtenancies		370	121,682
26	Meter Communication Equipment		370.1	-
27	Street Lighting		373	41,296
28	Other Distribution Plant			-
29	Total Distribution Plant	Sum L 16 to L 28		<u>2,621,711</u>
	<b>General Plant:</b>			
30	Land and Land Rights		389	6,145
31	Structures and Improvements		390	129,586
32	Office Equipment & Equipment		391	22,567
33	Transportation Equipment		392	58,848
34	Stores Equipment		393	2,182
35	Tools, Shop and Garage Equipment		394	20,964
36	Laboratory Equipment		395	2,407
37	Power Operated Equipment		396	3,845
38	Communication Equipment		397	81,504
39	Miscellaneous Equipment		398	370
40	Total General Plant	Sum L 30 to L 39		<u>328,418</u>
<b>41</b>	<b>Total Electric Plant in Service - Accounts 101 &amp; 106</b>		<b>L 4 + L 15 + L 29 + L 40</b>	<b>\$ <u>4,112,396</u></b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**SCHEDULE C-2**  
**Witness: Ankrum/O'Brien**  
**Page 3 of 4**

**SUMMARY PLANT IN SERVICE**  
**1/31/17 to 12/31/17**

	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]	[ 7 ]	
Line #	Description	Account Number	Balance 12/31/16	Plant Additions	Plant Retirements	Plant Transfers	Reclass & Adjustments	Balance 12/31/17
<b>INTANGIBLE PLANT</b>								
1	Organization	301	\$ 101	\$ (1)	\$ -	\$ -	\$ -	\$ 100
2	Franchise & Consent	302	7	-	-	-	-	7
3	Miscellaneous Intangible Plant	303	191,863	21,485	(2,991)	-	52,541	262,898
4	TOTAL INTANGIBLE	Sum L 1 to L 3	191,971	21,484	(2,991)	-	52,541	263,005
<b>TRANSMISSION PLANT</b>								
5	Land & Land Rights	360	14,404	(31)	(22)	(351)	-	14,000
6	Structures & Improvements	352	24,555	6,104	(93)	(1,040)	-	29,526
7	Station Equipment	353	381,521	7,434	(2,397)	9,655	-	396,213
8	Towers and Fixtures	354	67,417	(2,222)	-	-	-	65,195
9	Poles and Fixtures	355	51,365	72	-	(17)	-	51,420
10	Overhead Conductors & Devices	356	93,886	11,193	(27)	(38)	-	105,014
11	Underground Conduit	357	79,045	2,773	(11)	(34)	-	81,773
12	Underground Conductors & Devices	358	145,588	1,297	-	21	-	146,906
13	Road and Trails	359	9,215	-	-	-	-	9,215
14	Regional Trans - Computer Hardwar	382	2,723	1,260	-	(3,983)	-	-
15	Regional Trans - Computer Software	383	10,225	(171)	-	(10,054)	-	-
	Meter Communications Equipment	370.1	-	-	-	-	-	-
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	879,944	27,709	(2,550)	(5,841)	-	899,262
<b>DISTRIBUTION PLANT</b>								
17	Land & Land Rights	360	13,038	-	(91)	351	-	13,298
18	Structures & Improvements	361	64,954	972	(17)	1,040	-	66,949
19	Station Equipment	362	437,321	14,612	(1,456)	4,425	-	454,902
20	Storage Battery Equipment	363	-	-	-	-	-	-
21	Poles, Towers and Fixtures	364	427,210	18,834	(6,259)	799	-	440,584
22	Overhead Conductors and Devices	365	438,385	39,071	(6,477)	(420)	-	470,559
23	Underground Conduit	366	141,681	5,652	(79)	(131)	-	147,123
24	Underground Conductors and Device	367	356,958	29,095	(2,881)	(122)	-	383,050
25	Line Transformers	368	374,429	18,105	(6,845)	(84)	-	385,605
26	Services	369	94,596	2,525	(458)	-	-	96,663
27	Meters	370	56,012	4,585	(21,393)	-	82,478	121,682
28	Meter Communications Equipment	370.1	-	-	-	-	-	-
29	Leased Property On Customers Pren	372	-	-	-	-	-	-
30	Street Lighting and Signaling System	373	40,504	1,937	(1,145)	-	-	41,296
31	Asset Retirement Cost for Dist Plant	374	-	-	-	-	-	-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L 31	2,445,088	135,388	(47,101)	5,858	82,478	2,621,711
<b>GENERAL PLANT</b>								
33	Land & Land Rights	389	6,145	-	-	-	-	6,145
34	Structures & Improvements	390	112,410	5,735	(299)	-	-	117,846
35	Leasehold Improvements	0	10,096	1,644	-	-	-	11,740
36	Office furniture	391.1	19,208	4,978	(1,619)	-	-	22,567
37	Office equipment	391.2	-	-	-	-	-	-
38	Transportation equipment	392	58,803	4,494	(4,449)	-	-	58,848
39	Store equipment	393	2,197	-	(15)	-	-	2,182
40	Tools, shop and garage equipment	394	20,361	995	(392)	-	-	20,964
41	Laboratory equipment	395	3,019	(1)	(611)	-	-	2,407
42	Power operated equipment	396	3,477	368	-	-	-	3,845
43	Electric communications equipment	397	65,017	2,903	(3,169)	(17)	16,770	81,504
44	Miscellaneous equipment	398	370	-	-	-	-	370
45	Asset Retirement Cost for General Pl	399	-	-	-	-	-	-
46	TOTAL GENERAL	Sum L 33 to L 45	301,103	21,116	(10,554)	(17)	16,770	328,418
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)		3,818,106	205,697	(63,196)	-	151,789	4,112,396
48	AMI - 303		50,727	1,814	-	-	(52,541)	-
49	AMI - 370		51,431	31,047	-	-	(82,478)	-
50	AMI - 397		16,042	688	-	-	(16,730)	-
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 3,936,306	\$ 239,246	\$ (63,196)	\$ -	\$ 40	\$ 4,112,396

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**SCHEDULE C-2**  
**Witness: Ankrum/O'Brien**  
**Page 4 of 4**

**Pro Forma Adjustments to Plant**

Line #	Description	Account Number	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
			Pro Forma Adjustments to Plant				
			Cloud Adjustment				
A	Total Amount of Adjustment		\$ 5,177	\$ -	\$ -		
<b>INTANGIBLE PLANT</b>							
1	Organization	301	\$ -	\$ -	\$ -		\$ -
2	Franchise & Consent	302	-	-	-		-
3	Miscellaneous Intangible Plant	303	5,177	-	-		5,177
4	TOTAL INTANGIBLE	Sum L 1 to L 3	5,177	-	-		5,177
<b>TRANSMISSION PLANT</b>							
5	Land & Land Rights	350	-	-	-		-
6	Structures & Improvements	352	-	-	-		-
7	Station Equipment	353	-	-	-		-
8	Towers and Fixtures	354	-	-	-		-
9	Poles and Fixtures	355	-	-	-		-
10	Overhead Conductors & Devices	356	-	-	-		-
11	Underground Conduit	357	-	-	-		-
12	Underground Conductors & Devices	358	-	-	-		-
13	Road and Trails	359	-	-	-		-
14	Regional Trans - Computer Hardware	382	-	-	-		-
15	Regional Trans - Computer Software	0	-	-	-		-
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	-	-	-		-
<b>DISTRIBUTION PLANT</b>							
17	Land & Land Rights	360	-	-	-		-
18	Structures & Improvements	361	-	-	-		-
19	Station Equipment	362	-	-	-		-
20	Storage Battery Equipment	363	-	-	-		-
21	Poles, Towers and Fixtures	364	-	-	-		-
22	Overhead Conductors and Devices	365	-	-	-		-
23	Underground Conduit	366	-	-	-		-
24	Underground Conductors and Device	367	-	-	-		-
25	Line Transformers	368	-	-	-		-
26	Services	369	-	-	-		-
27	Meters	370	-	-	-		-
28	Meter Communications Equipment	370 1	-	-	-		-
29	Leased Property On Customers Prem	372	-	-	-		-
30	Street Lighting and Signaling System	373	-	-	-		-
31	Asset Retirement Cost for Dist Plant	374	-	-	-		-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L31	-	-	-		-
<b>GENERAL PLANT</b>							
33	Land & Land Rights	389	-	-	-		-
34	Structures & Improvements	390	-	-	-		-
35	Leasehold Improvements	0	-	-	-		-
36	Office furniture	391 1	-	-	-		-
37	Office equipment	391 2	-	-	-		-
38	Transportation equipment	392	-	-	-		-
39	Store equipment	393	-	-	-		-
40	Tools, shop and garage equipment	394	-	-	-		-
41	Laboratory equipment	395	-	-	-		-
42	Power operated equipment	396	-	-	-		-
43	Electnc communications equipment	397	-	-	-		-
44	Miscellaneous equipment	398	-	-	-		-
45	Asset Retirement Cost for General Pl	399	-	-	-		-
46	TOTAL GENERAL	Sum L 33 to L45	-	-	-		-
47	SUB-TOTAL		5,177	-	-		5,177
	( L 4 + L 16 + L 32 L 46 )						
48	AMI - 303		-	-	-		-
49	AMI - 370		-	-	-		-
50	AMI - 397		-	-	-		-
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 5,177	\$ -	\$ -		\$ 5,177

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule**  
**Witness:** **C-3**  
**Page** **1** **of 4** **Ankrum/O'Brien**

**Accumulated Provision for Depreciation**

Line #	Description	[ 1 ] Schedule	[ 2 ] HTY Ended 12/31/17 Recorded	[ 3 ] Adjustments	[ 4 ] Pro Forma HTY Ended 12/31/17
1	Intangible Plant	Sch. C-2, Page 3	\$ 84,515	\$ 1,325	\$ 85,840
2	Transmission Plant:	Sch. C-2, Page 3	245,931	-	245,931
3	Distribution Plant:	Sch. C-2, Page 3	847,442	-	847,442
4	General Plant:	Sch. C-2, Page 3	131,804	-	131,804
5	Sub Total Accumulated Depreciation	Sum (L 1 to L 4)	1,309,692	1,325	1,311,017
6	Completed Construction Not Classified	G/L a/c # 106	-	-	-
7	Total Accumulated Depreciation	L 5 + L 6	<u>\$ 1,309,692</u>	<u>\$ 1,325</u>	<u>\$ 1,311,017</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

Schedule C-3  
Witness: Ankrum/O'Brien  
Page 2 of 4

**Accumulated Depreciation by FERC Account**

Line No	Description	Reference Or Factor	[ 1 ] Account No	[ 2 ] Pro Forma 12/31/17
<b>Intangible Plant</b>				
1	Organizations		301	\$ -
2	Franchises & Consents		302	-
3	Software		303	84,515
4	<b>Total Intangible Plant</b>	Sum L 1 to L 3		<u>84,515</u>
<b>Transmission Plant:</b>				
5	Land and Land Rights		350	-
6	Structures and Improvements		352	7,566
7	Station Equipment		353	109,412
8	Towers and Fixtures		354	33,041
9	Poles and Fixtures		355	11,337
10	Overhead Conductors & Devices		356	32,653
11	Underground Conduit		357	27,624
12	Underground Conduit & Devices		358	23,451
13	Roads and Trails		359	846
14	Other Transmission Plant			<u>1</u>
15	<b>Total Transmission Plant</b>	Sum L 5 to L 14		<u>245,931</u>
<b>Distribution Plant:</b>				
16	Land and Land Rights		360	-
17	Structures and Improvements		361	37,091
18	Station Equipment		362	150,897
19	Poles, Towers and Fixtures		364	165,127
20	Overhead Conductors and Devices		365	150,710
21	Underground Conduit		366	46,627
22	Underground Conductors and Devices		367	105,229
23	Line Transformers		368	113,495
24	OH & UND Services		369	36,901
25	Meters & Appurtencies		370	16,149
26	Meter Communication Equipment		370.1	-
27	Street Lighting		373	25,216
28	Other Distribution Plant			-
29	<b>Total Distribution Plant</b>	Sum L 16 to L 28		<u>847,442</u>
<b>General Plant:</b>				
30	Land and Land Rights		389	-
31	Structures and Improvements (1)		390	42,905
32	Office Equipment & Equipment		391	7,439
33	Transportation Equipment		392	33,570
34	Stores Equipment		393	1,404
35	Tools, Shop and Garage Equipment		394	6,587
36	Laboratory Equipment		395	1,263
37	Power Operated Equipment		396	1,597
38	Communication Equipment		397	36,765
39	Miscellaneous Equipment		398	274
40	<b>Total General Plant</b>	Sum L 30 to L 39		<u>131,804</u>
41	<b>Total Accumulated Depreciation - Accounts 101 &amp; 106</b>	L 4 + L 15 + L 29 + L 40		<u>\$ 1,309,692</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

Schedule C-3  
 Witness: Ankrum/O'Brien  
 Page 3 of 4

**DETAIL ACCUMULATED DEPRECIATION**  
**At December 31, 2017**

Line #	Description	Account Number	Balance 12/31/16	Depreciation Accrual	Plant Retirements	Cost of Removal	Salvage Proceeds	Salvage Amortization	Gain (Loss)	Monthly Transfers	Reclass	Adjustments	Balance 12/31/17
<b>INTANGIBLE PLANT</b>													
1	Organization	301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-	-	-	-	-	-	-	-	-
3	Miscellaneous Intangible Plant	303	44,498	33,749	(2,991)	-	-	-	-	-	9,259	-	84,515
4	TOTAL INTANGIBLE	Sum L 1 to L 3	44,498	33,749	(2,991)	-	-	-	-	-	9,259	-	84,515
<b>TRANSMISSION PLANT</b>													
5	Land & Land Rights	360	-	-	(22)	1	29	-	(8)	-	-	-	-
6	Structures & Improvements	352	7,457	746	(93)	(58)	2	-	-	(488)	-	-	7,566
7	Station Equipment	353	98,589	14,605	(2,367)	(679)	60	-	-	(766)	-	-	109,412
8	Towers and Fictures	354	32,046	995	-	-	-	-	-	-	-	-	33,041
9	Poles and Fictures	355	10,151	1,187	-	-	-	-	-	(1)	-	-	11,337
10	Overhead Conductors & Devices	356	30,830	1,874	(27)	(45)	23	-	-	(2)	-	-	32,653
11	Underground Conduit	357	26,216	1,426	(11)	(198)	194	-	-	(3)	-	-	27,624
12	Underground Conductors & Devices	358	20,856	2,594	-	-	-	-	-	1	-	-	23,451
13	Road and Trails	359	684	162	-	-	-	-	-	-	-	-	846
14	Regional Trans - Computer Hardware	362	171	137	-	-	-	-	-	(308)	-	-	-
15	Regional Trans - Computer Software	363	906	643	-	-	-	-	-	(1,548)	-	-	1
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	227,906	24,369	(2,550)	(979)	306	-	(8)	(3,115)	-	-	245,931
<b>DISTRIBUTION PLANT</b>													
17	Land & Land Rights	360	-	-	-	-	-	-	-	-	-	-	-
18	Structures & Improvements	361	35,086	1,548	(17)	(14)	-	-	-	468	-	-	37,091
19	Station Equipment	362	139,025	11,743	(1,456)	(1,075)	28	-	-	2,632	-	-	150,897
20	Storage Battery Equipment	363	-	-	-	-	-	-	-	-	-	-	-
21	Poles Towers and Fictures	364	163,239	10,362	(6,259)	(3,135)	893	-	-	27	-	-	165,127
22	Overhead Conductors and Devices	365	144,885	11,316	(6,477)	(1,121)	2,344	-	-	(17)	-	-	150,710
23	Underground Conduit	366	44,779	1,950	-	(52)	2	-	-	(3)	-	-	46,627
24	Underground Conductors and Devices	367	99,149	9,013	(2,861)	(547)	498	-	-	(3)	-	-	105,229
25	Line Transformers	368	107,945	12,979	(6,845)	(1,077)	1,096	-	-	(3)	-	-	113,495
26	Services	369	36,352	2,450	(458)	(1,443)	-	-	-	-	-	-	36,901
27	Meters	370	25,112	8,904	(21,393)	(2)	-	-	-	-	3,528	-	16,149
28	Meter Communications Equipment	370.1	-	-	-	-	-	-	-	-	-	-	-
29	Leased Property On Customers Premises	372	-	-	-	-	-	-	-	-	-	-	-
30	Street Lighting and Signaling Systems	373	25,375	1,024	(1,145)	(38)	-	-	-	-	-	-	25,216
31	Asset Retirement Cost for Dist Plant	374	-	-	-	-	-	-	-	-	-	-	-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L 31	620,727	70,699	(47,010)	(6,484)	4,861	-	-	3,121	3,528	-	847,442
<b>GENERAL PLANT</b>													
33	Land & Land Rights	369	-	-	-	-	-	-	-	-	-	-	-
34	Structures & Improvements	390	31,425	4,097	(299)	(61)	-	-	-	-	-	-	35,162
35	Leasehold Improvements	0	7,256	498	(91)	(9)	165	-	(66)	-	-	-	7,743
36	Office furniture	391.1	6,734	2,324	(1,619)	-	-	-	-	-	-	-	7,439
37	Office equipment	391.2	-	-	-	-	-	-	-	-	-	-	-
38	Transportation equipment	392	33,898	3,683	(4,449)	43	128	-	267	-	-	-	33,570
39	Store equipment	393	1,385	34	(15)	-	-	-	-	-	-	-	1,404
40	Tools, shop and garage equipment	394	6,133	846	(362)	-	-	-	-	-	-	-	6,587
41	Laboratory equipment	395	1,922	(48)	(611)	-	-	-	-	-	-	-	1,263
42	Power operated equipment	396	1,458	139	-	-	-	-	-	-	-	-	1,597
43	Electric communications equipment	397	34,296	4,488	(3,169)	-	-	-	-	(6)	1,166	-	36,765
44	Miscellaneous equipment	398	268	6	-	-	-	-	-	-	-	-	274
45	Asset Retirement Cost for General Plant	399	-	-	-	-	-	-	-	-	-	-	-
46	TOTAL GENERAL	Sum L 33 to L 45	124,765	16,057	(10,645)	(27)	299	-	201	(6)	1,166	-	131,804
47	SUB-TOTAL		1,217,896	144,874	(63,196)	(9,490)	5,462	-	193	-	13,953	-	1,309,692
48	AMI - 303		9,259	-	-	-	-	-	-	-	(9,259)	-	-
49	AMI - 370		3,528	-	-	-	-	-	-	-	(3,528)	-	-
50	AMI - 397		1,166	-	-	-	-	-	-	-	(1,166)	-	-
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 1,231,849	\$ 144,874	\$ (63,196)	\$ (9,490)	\$ 5,462	\$ -	\$ 193	\$ -	\$ -	\$ -	\$ 1,309,692

**Duquesne Light Company**  
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(\$ in Thousands)

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**Pro Forma Adjustments to Accumulated Depreciation**

Line #	Description	Account Number	(1)	(2)	(3)	(4)	(5)
<b>Pro Forma Adjustments to Accumulated Depreciation</b>							
A	Total Amount of Adjustment		\$ 1,325	\$ -	\$ -	\$ -	
<b>INTANGIBLE PLANT</b>							
1	Organization	301					\$ -
2	Franchise & Consent	302					-
3	Miscellaneous Intangible Plant	303	1,325				1,325
4	TOTAL INTANGIBLE	Sum L 1 to L 3	1,325	-	-	-	1,325
<b>TRANSMISSION PLANT</b>							
5	Land & Land Rights	360					-
6	Structures & Improvements	352					-
7	Station Equipment	353					-
8	Towers and Fixtures	354					-
9	Poles and Fixtures	355					-
10	Overhead Conductors & Devices	356					-
11	Underground Conduit	357					-
12	Underground Conductors & Devices	358					-
13	Road and Trails	359					-
14	Regional Trans - Computer Hardware	382					-
15	Regional Trans - Computer Software	383					-
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	-	-	-	-	-
<b>DISTRIBUTION PLANT</b>							
17	Land & Land Rights	360					-
18	Structures & Improvements	361					-
19	Station Equipment	362					-
20	Storage Battery Equipment	363					-
21	Poles, Towers and Fixtures	364					-
22	Overhead Conductors and Devices	365					-
23	Underground Conduit	366					-
24	Underground Conductors and Devices	367					-
25	Line Transformers	368					-
26	Services	369					-
27	Meters	370					-
28	Meter Communications Equipment	370.1					-
29	Leased Property On Customers Premises	372					-
30	Street Lighting and Signaling Systems	373					-
31	Asset Retirement Cost for Dist Plant	374					-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L 31	-	-	-	-	-
<b>GENERAL PLANT</b>							
33	Land & Land Rights	369					-
34	Structures & Improvements	369					-
35	Leasehold Improvements	0					-
36	Office furniture	361.1					-
37	Office equipment	361.2					-
38	Transportation equipment	362					-
39	Store equipment	363					-
40	Tools shop and garage equipment	364					-
41	Laboratory equipment	365					-
42	Power operated equipment	366					-
43	Electric communications equipment	367					-
44	Miscellaneous equipment	368					-
45	Asset Retirement Cost for General Plant	369					-
46	TOTAL GENERAL	Sum L 33 to L 45	-	-	-	-	-
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)		1,325	-	-	-	1,325
48	AMI - 303						
49	AMI - 370						
50	AMI - 397						
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 1,325	\$ -	\$ -	\$ -	\$ 1,325



**Duquesne Light Company**  
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**Working Capital**

<u>Line No</u>	<u>Description</u>	[ 1 ] <u>Reference</u>	[ 2 ] <u>Test Year Ended 12/31/17</u>
1	Operation & Maintenance Expenses	C-4, P 2, L 11	\$ (9,279)
2	Tax Expense	C-4, P 7, L 12	24,556
3	Interest Payments	C-4, P 8, L 9	(4,127)
4	Supply	C-4, P 2, L 18	15,209
5	Average Prepayments	C-4, P 10, L 25	8,978
6	Total Cash Working Capital Requirements	Sum L 1 to L 5	<u>\$ 35,337</u>

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**Summary of Working Capital**

Line #	Description	Reference	[ 1 ] Test Year Expenses	[ 2 ]	[ 3 ] Factor	[ 4 ] Number of (Lead) / Lag Days [ 2 ] * [ 3 ]	[ 5 ] Totals
<b>WORKING CAPITAL REQUIREMENT</b>							
1	REVENUE LAG DAYS	Sch C-4, P 3					59.85
2	EXPENSE LAG DAYS						
3	Payroll	Sec D, Sch 7	\$ 71,374		12.70	\$ 906,643	
4	Pension Expense	Sec D, Sch 9	23,000		441.24	10,148,520	
5	Power Purchased for Resale	Sec D, Sch 2	-		33.88	-	
6	Other Expenses	L 23 - L 3 to L 5	111,356		41.69	4,642,435	
7	Total	Sum (L 3 to L 6)	<u>\$ 205,730</u>			<u>\$ 15,697,597</u>	
8	O & M Expense Lag Days	L 7, [4] / [2]					<u>76.30</u>
9	Net (Lead) Lag Days	L 1 - L 8					(16.45)
10	Operating Expenses Per Day	L 7, [2] / 365					<u>\$ 564</u>
11	Working Capital for O & M Expense	L 9 * L 10					\$ (9,279)
12	Average Prepayments	Sch C-4, Pg 11					8,978
13	Tax Expense	Sch C-4, Pg 7					24,556
14	Interest Payments	Sch C-4, Pg 8					(4,127)
15	Total Working Capital Requirement	Sum (L 11 to L 14)					<u>20,128</u>
<b>WORKING CAPITAL FOR POWER PURCHASED</b>							
			Expense		Lead (Lag) Days	Exp Per Day	
16	Power Purchased for Resale		<u>\$ 210,910</u>				
17	Lead (Lag) Days	60.20 - 33.88			<u>26.32</u>	<u>\$ 577.84</u>	
18	WC for Power Purchased	[ 3 ] * [ 4 ]					<u>15,209</u>
19	Net WC for Rate Base	L 15 + L 18					<u>\$ 35,337</u>
19	Pro Forma O & M Expense		\$ 428,001				
20	Less.						
	Power Purchased for Resale		210,910				
21	Uncollectible Expense - Present Rates		10,735				
22	Uncollectible Expense-on Rev Increase		626				
23	Other						
24	Sub-Total	Sum (L 18 to L 21)	<u>222,271</u>				
25	Pro Forma Cash O&M Expense	L 17 - L22	<u>\$ 205,730</u>				

**Duquesne Light Company**  
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**Revenue Lag**

Line No.	Description	[ 1 ] Reference Or Factor	[ 2 ] Accounts Receivable Balance End of Month	[ 3 ] Total Monthly Sales Sch C-4, Pg 4	[ 4 ] A/R Turnover [ 3 ] / [ 2 ]	[ 5 ] Days Lag 365 / [ 4 ]
1	Annual Number of Days					<u>365</u>
2	December, 2016		\$ 104,452			
3	January		109,755	69,752		
4	February		108,745	62,598		
5	March		98,451	64,640		
6	April		97,179	52,360		
7	May		85,314	60,682		
8	June		89,574	70,238		
9	July		101,443	89,442		
10	August		96,748	77,238		
11	September		95,808	66,596		
12	October		87,446	65,446		
13	November		80,884	66,175		
14	December, 2017		89,504	74,771		
15	Total	Sum L 2 to L 14	<u>\$1,245,303</u>			
16	Average A/R Balance	<u>13</u>				
17	Factor		<u>\$95,793</u>	<u>\$ 819,938</u>	<u>8.56</u>	<u>42.64</u>
18	Collection Days Lag (L 17 [ 5 ])					42.64
19	Billing Calculation and mailing days lag					2.00
20	Billing Lag (Mid-Point of Service Period)		365	/	12 *	0.5 =
21	Total Revenue Lag Days	Sum L 18 to L 20				<u>59.85</u>

**Duquesne Light Company**  
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**Revenue By Class of Service**

Line #	Description	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
		Revenue By Class of Service				
		Residential	Commercial	Industrial	Lighting	Sum [ 1 ] to [ 4 ]
1	January, 2015	48,537	22,072	3,746	999	75,354
2	February	46,100	21,413	3,715	1,253	72,481
3	March	42,741	22,232	4,201	1,147	70,321
4	April	32,334	22,029	3,309	1,130	58,802
5	May	41,026	23,039	3,850	1,138	69,053
6	June	45,100	21,849	3,313	1,126	71,388
7	July	54,233	22,008	3,207	1,130	80,578
8	August	49,658	21,743	3,394	1,003	75,798
9	September	44,787	22,006	3,838	1,070	71,701
10	October	35,261	20,706	3,918	1,046	60,931
11	November	34,588	19,297	3,293	998	58,176
12	December, 2015	40,532	21,349	3,931	1,084	66,896
13	TOTAL	<u>\$ 514,897</u>	<u>\$ 259,743</u>	<u>\$ 43,715</u>	<u>\$ 13,124</u>	<u>\$ 831,479</u>
14	January, 2016	45,878	21,612	3,806	979	72,275
15	February	40,554	22,382	3,723	1,026	67,685
16	March	36,496	19,630	3,683	1,090	60,899
17	April	35,044	18,421	2,770	1,143	57,378
18	May	34,228	21,252	3,987	952	60,419
19	June	44,136	20,573	3,521	1,027	69,257
20	July	61,857	18,557	3,211	1,084	84,709
21	August	65,275	22,724	4,166	1,040	93,205
22	September	45,596	19,383	3,530	1,048	69,557
23	October	35,758	19,202	3,965	1,047	59,972
24	November	38,277	18,796	3,218	1,048	61,339
25	December, 2016	47,011	19,591	3,499	978	71,079
26	TOTAL	<u>\$ 530,110</u>	<u>\$ 242,123</u>	<u>\$ 43,079</u>	<u>\$ 12,462</u>	<u>\$ 827,774</u>
27	January, 2017	44,758	20,515	3,458	1,021	69,752
28	February	38,933	18,927	3,630	1,108	62,598
29	March	41,041	19,231	3,343	1,025	64,640
30	April	32,376	16,641	2,309	1,034	52,360
31	May	36,756	19,381	3,465	1,080	60,682
32	June	46,264	20,148	2,822	1,004	70,238
33	July	58,514	25,973	3,882	1,073	89,442
34	August	49,473	22,712	4,032	1,021	77,238
35	September	41,076	21,155	3,319	1,046	66,596
36	October	38,169	22,262	3,951	1,064	65,446
37	November	41,106	20,481	3,533	1,055	66,175
38	December, 2017	49,981	19,938	3,761	1,091	74,771
39	TOTAL	<u>\$ 518,447</u>	<u>\$ 247,364</u>	<u>\$ 41,505</u>	<u>\$ 12,622</u>	<u>\$ 819,938</u>

**Duquesne Light Company**  
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**Schedule**      **C-4**  
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**Summary of Expense Lag Calculations**

Line No.	Description	[ 1 ] Reference Or Factor	[ 2 ] Amount	[ 3 ] (Lead) / Lag Days	[ 4 ] Weighted Dollar Value [ 2 ] * [ 3 ]	[ 5 ] (Lead) / Lag Days [ 4 ] / [ 2 ]
<b><u>PAYROLL</u></b>						
1	Union		\$ 38,744	17.00	\$ 658,654	
2	Paid Bi-Weekly with ten-day lag (14 days / 2 + 10 days)					
3	Non-Union		32,630	7.60	247,985	
4	Paid Twice Monthly (365 days / 24 / 2)					
5	Payroll Lag	Sum L 1 to L 4	<u>\$ 71,374</u>		<u>\$ 906,639</u>	<u>12.70</u>
<b><u>PENSION EXPENSE</u></b>						
6	Payment # 1	30-Jun	40,000	364.00	\$ 14,560,000	
7	Payment # 2	28-Sep	40,000	454.00	18,160,000	
8	Payment # 3	27-Dec	15,000	544.00	8,160,000	
9	Payment # 4	28-Dec	10,000	545.00	5,450,000	
			-	0.00	-	
10	Mid-point of Service Period	1-Jul				
11	Totals & (Lead) Lag Days	Sum L 6 to L 9	<u>105,000</u>		<u>46,330,000</u>	<u>441.2</u>
<b><u>PURCHASED ELECTRICITY</u></b>						
12	Contract Payment Lag		<u>210,910.00</u>	<u>33.88</u>	<u>\$ 7,145,631</u>	<u>33.88</u>
<b><u>OTHER O &amp; M EXPENSES</u></b>						
13	FEBRUARY, 2017	Sch C-4, Pg 6	\$ 6,458,997		\$ 274,125,007	
14	MAY, 2017	Sch C-4, Pg 6	7,759,753		323,052,027	
15	AUGUST, 2017	Sch C-4, Pg 6	6,798,995		258,426,949	
16	NOVEMBER, 2017	Sch C-4, Pg 6	7,260,856		323,297,456	
17	TOTAL	Sum L 13 to L 16	<u>28,278,601</u>		<u>1,178,901,439</u>	<u>41.69</u>

**Duquesne Light Company**  
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**(\$ in Thousands)**

Schedule  
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**O'Brien**

**General Disbursements Lag**

Line #	Description	[ 1 ] Number of CDs	[ 2 ] Cash Disbursements	[ 3 ] Dollar-Days	[ 4 ] Expense Lag-Days [ 3 ] / [ 2 ]
<b><u>FEBRUARY, 2017</u></b>					
1	Total Monthly Disbursements	2598	\$ 100,549,234	\$ 1,536,073,073	15.28
2	Total Excl Non-Expense & Under \$1,000	469	\$ 32,467,864	\$ 441,903,554	13.61
3	Total O & M Only	449	\$ 6,458,997	\$ 274,125,007	42.44
<b><u>MAY, 2017</u></b>					
4	Total Monthly Disbursements	2409	\$ 94,042,998	\$ 1,210,651,560	12.87
5	Total Excl Non-Expense & Under \$1,000	424	\$ 30,527,176	\$ 490,654,663	16.07
6	Total O & M Only	404	\$ 7,759,753	\$ 323,052,027	41.63
<b><u>AUGUST, 2017</u></b>					
7	Total Monthly Disbursements	2494	\$ 137,589,029	\$ 1,435,918,990	10.44
8	Total Excl Non-Expense & Under \$1,000	435	\$ 40,472,740	\$ 693,007,842	17.12
9	Total O & M Only	399	\$ 6,798,995	\$ 258,426,949	38.01
<b><u>NOVEMBER, 2017</u></b>					
10	Total Monthly Disbursements	2267	\$ 142,169,010	\$ 1,893,356,509	13.32
11	Total Excl Non-Expense & Under \$1,000	410	\$ 34,117,050	\$ 575,696,842	16.87
12	Total O & M Only	384	\$ 7,260,856	\$ 323,297,456	44.53
<b><u>TOTAL FOUR TEST MONTHS</u></b>					
13	Total Monthly Disbursements	9768	\$ 474,350,271	\$ 6,076,000,132	12.81
14	Total Excl Non-Expense & Under \$1,000	1738	\$ 137,584,829	\$ 2,201,262,902	16.00
15	Total O & M Only	2243	\$ 28,278,601	\$ 1,178,901,439	41.69

**Duquesne Light Company**  
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**(\$ in Thousands)**

Schedule  
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**Tax Expense Lag Days**

Line No	Description	Reference Or Factor	[ 1 ] Pro Forma Proposed Rate Amount	[ 2 ] (Lead) Lag Days C-4, P 10	[ 3 ] Weighted Dollar Days [ 2 ] * [ 3 ]
1	FEDERAL INCOME TAX		\$ 86,160	22.35	\$ 1,925,667
2	STATE INCOME TAX		15,713	30.10	472,957
3	PURTA		912	120.85	110,215
4	PA CAPITAL STOCK TAX		-	59.85	-
5	PA LOCAL & USE TAX		(533)	23.85	(12,712)
6	PA PROPERTY TAX		527	60.35	31,804
7	CITY OF PITTSBURGH		329	136.85	45,024
8	GROSS RECEIPTS TAX		45,695	131.35	6,001,995
9	GRT - REVENUE INCREASE		2,954	131.35	388,008
10	Total	Sum L 1 to L 9			<u>\$ 8,962,959</u>
11	Days in Year				<u>365</u>
12	Average Daily Amount for Working Capital	L 10 / L 11			<u>\$ 24,556</u>

**Duquesne Light Company**  
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**Interest Payments**

Line No.	Description	[ 1 ] Reference Or Factor	[ 2 ] # of Days	[ 3 ] # of Days	[ 4 ] Total
1	Measures of Value at December 31, 2017				\$ 2,292,465
2	Long-term Debt Ratio				45.49%
3	Embedded Cost of Long-term Debt				4.60%
4	Pro forma Interest Expense	L 1 * L 2 * L 3			<u>\$ 47,971</u>
5	Daily Amount	L 4 / L 5 [2]	365		\$ 131
6	Days to mid-point of interest payments			91.25	
7	Less: Revenue Lag Days			59.85	
8	Interest Payment lag days	L 7 - L 6			(31.40)
9	Total Interest for Working Capital	L 5 * L 8			<u>\$ (4,127)</u>



**Duquesne Light Company**  
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**TAX EXPENSE LAG DAYS**

Line #	Description	[ 1 ] Payment Dates	[ 2 ] Mid-Point of Service Period	[ 3 ] Lead (Lag) Payment Days [ 1 ] - [ 2 ]	[ 4 ] Payment Amount	[ 5 ] Weighted Lead (Lag) Dollars [ 3 ] * [ 4 ]	[ 6 ] Payment Lead (Lag) Days [ 5 ] / [ 4 ]	[ 7 ] Revenue (Lag) Days C-4, Pg3	[ 8 ] Net Payment Lead (Lag) Days [ 6 ] - [ 7 ]
<b>1</b>	<b>FEDERAL INCOME TAX</b>	<b>25%</b>			<b>\$ 86,160</b>				
2	First Payment	04/15/17	07/01/17	77.00	\$ 21,540	1,658,573			
3	Second Payment	06/15/17	07/01/17	16.00	21,540	344,638			
4	Third Payment	09/15/17	07/01/17	(76.00)	21,540	(1,637,033)			
5	Fourth Payment	12/15/17	07/01/17	(167.00)	21,540	(3,597,164)			
<b>6</b>	<b>Total</b>				<b>\$ 86,160</b>	<b>\$ (3,230,986)</b>	<b>(37.50)</b>	<b>59.85</b>	<b>22.35</b>
<b>7</b>	<b>STATE INCOME TAX</b>	<b>25%</b>			<b>\$ 15,713</b>				
8	First Payment	03/15/17	07/01/17	108.00	\$ 3,928	424,247			
9	Second Payment	06/15/17	07/01/17	16.00	3,928	62,851			
10	Third Payment	09/15/17	07/01/17	(76.00)	3,928	(298,544)			
11	Fourth Payment	12/15/17	07/01/17	(167.00)	3,928	(656,012)			
<b>12</b>	<b>Total</b>				<b>\$ 15,713</b>	<b>(467,458)</b>	<b>(29.75)</b>	<b>59.85</b>	<b>30.10</b>
<b>13</b>	<b>PURTA</b>				<b>\$ 912</b>				
14	Payment	05/01/17	07/01/17	61.00	\$ 912	55,632	61.00	59.85	120.85
<b>15</b>	<b>PA CAPITAL STOCK TAX</b>	<b>25%</b>			<b>\$ -</b>				
16	First Payment			-	\$ -	-			
17	Second Payment			-	-	-			
18	Third Payment			-	-	-			
19	Fourth Payment			-	-	-			
<b>20</b>	<b>Total</b>				<b>\$ -</b>	<b>-</b>			<b>0.00</b>
<b>21</b>	<b>PA LOCAL &amp; USE TAX</b>				<b>\$ 6</b>				
22	Payment	02/20/17	01/15/17	(36.00)	\$ 6	(216)	(36.00)	59.85	23.85
<b>23</b>	<b>PA PROPERTY TAX</b>	<b>50%</b>			<b>\$ 527</b>				
24	First Payment	03/31/17	07/01/17	92.00	\$ 264	24,242			
25	Second Payment	09/30/17	07/01/17	(91.00)	264	(23,979)			
<b>26</b>	<b>Total</b>				<b>\$ 527</b>	<b>264</b>	<b>0.50</b>	<b>59.85</b>	<b>60.35</b>
<b>27</b>	<b>CITY OF PITTSBURGH</b>				<b>\$ 329</b>				
28	Payment	04/15/17	07/01/17	77.00	\$ 329	25,333	77.00	59.85	136.85
<b>29</b>	<b>GROSS RECEIPTS TAX</b>	<b>90%</b>			<b>\$ 45,695</b>				
30	90% of Estimated GRT	03/15/17	07/01/17	108.00	\$ 41,125	4,441,522			
31									
32	Balance Based on Estimate	03/15/18	07/01/17	(257.00)	4,569	(1,174,353)			
33									
<b>34</b>	<b>Total</b>				<b>\$ 45,695</b>	<b>3,267,169</b>	<b>71.50</b>	<b>59.85</b>	<b>131.35</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

Schedule C-4  
 Witness: O'Brien  
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**PREPAID EXPENSES**

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]
		Total For Separation	TOTAL	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17		
1	Garage Liability	\$ 2,574	\$ 2,574	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198
2	Property - All Risk Ins	62,734	62,734	2,657	4,672	4,672	4,672	4,672	4,672	4,604	5,106	5,107	5,093	5,599	5,599	5,609		
3	Liability - Misc Ins	5,491	5,491	163	384	384	384	416	416	441	474	474	474	474	500	507		
4	Director & Officer Ins	60,336	60,336	4,454	4,587	4,587	4,587	4,641	4,641	4,641	4,696	4,696	4,696	4,696	4,695	4,719		
5	Auto Ins	527	527	-	36	36	36	36	36	45	45	45	45	45	59	63		
6	Pollution Ins	797	797	-	66	66	66	66	67	67	66	67	66	67	66	67		
7	Insurance Exp	15,616	15,616	900	1,123	1,203	1,203	1,203	1,203	1,203	1,243	1,243	1,243	1,283	1,283	1,283		
8	Fiduciary	17,831	17,831	1,282	1,346	1,346	1,346	1,372	1,372	1,372	1,397	1,397	1,397	1,397	1,397	1,410		
9	Workers' Compensation	8,841	8,841	613	671	670	671	670	670	690	690	690	690	690	711	715		
10	Excess General Liab Ins	114,618	114,618	3,954	7,815	7,815	7,815	8,904	8,904	8,904	9,992	9,992	9,992	9,992	9,992	10,547		
11	Workers' Comp T&D	4,622	4,622	-	279	279	279	361	361	361	443	443	443	443	443	487		
12	Amortization Offset - Ins	(290,092)	(290,092)	(14,221)	(20,440)	(20,906)	(21,372)	(21,839)	(22,307)	(22,766)	(23,224)	(23,683)	(24,142)	(24,599)	(25,058)	(25,535)		
13	Penna PUC Assessment	18,846	18,846	1,474	1,229	983	737	491	246	2,300	2,108	1,917	2,208	1,963	1,718	1,472		
14	Prepaid Expense	3,891	3,891	432	457	417	376	336	296	256	221	185	150	115	161	489		
15	Penna Gross Receipts Tax	-	0%	160,582	-	-	47,334	28,197	24,711	20,771	15,927	11,458	7,665	3,984	535	-		
16	System Upgrade Ins	56	56	-	3	2	1	-	9	8	8	7	6	5	4	3		
17	IT Hardware Maintenance	13,499	13,499	844	685	763	618	513	1,018	1,441	1,340	1,261	1,175	1,390	1,287	1,164		
18	IT Software Maintenance	3,744	3,744	516	390	354	348	334	285	249	206	188	196	238	195	245		
19	Communication Maint Agree	7,538	7,538	591	713	692	610	512	427	336	443	624	631	731	629	599		
20	Smart Meter Exp	11,030	11,030	872	901	775	649	674	610	1,300	1,167	1,013	968	834	700	567		
21	Prepaid IT Software	28,435	28,435	641	746	2,507	2,542	2,507	2,598	2,503	2,395	2,318	2,336	2,436	2,516	2,390		
22	IT / CIO / Network Svcs /Support	23,676	23,676	1,504	1,421	1,615	1,515	1,362	1,146	1,665	2,390	2,284	2,247	2,191	2,094	2,242		
23	SCADA	316	316	60	54	47	41	35	29	22	16	9	3	-	-	-		
24	CLOUD	1,787	1,787	-	-	-	46	46	53	245	235	253	209	239	257	204		
25	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
22	<b>TOTAL</b>	<b>\$ 116,713</b>	<b>\$ 277,295</b>	<b>\$ 6,934</b>	<b>\$ 7,336</b>	<b>\$ 8,505</b>	<b>\$ 54,702</b>	<b>\$ 35,707</b>	<b>\$ 31,661</b>	<b>\$ 30,856</b>	<b>\$ 27,582</b>	<b>\$ 22,186</b>	<b>\$ 17,989</b>	<b>\$ 14,411</b>	<b>\$ 9,981</b>	<b>\$ 9,445</b>		
23	Number of Months	<u>13</u>																
24	Monthly Average	L 22 / L 21	<u>\$ 8,978</u>															
25	Rate Case Amount		<u>\$ 8,978</u>															

**Plant Materials and Operating Supplies**

Line No	Description	[ 1 ]	[ 2 ]	
		HTY Ended 12/31/17		
		Materials & Supplies	Fuel	Stores Expenses
1	December, 2016	\$ 22,823	\$ -	\$ -
2	January, 2017	23,013	-	-
3	February	23,583	-	-
4	March	24,353	-	-
5	April	24,160	-	-
6	May	24,097	-	-
7	June	23,785	-	-
8	July	23,215	-	-
9	August	23,073	-	-
10	September	23,118	-	-
11	October	23,417	-	-
12	November	23,748	-	-
13	December, 2017	23,412	-	-
14	Totals	<u>\$ 305,797</u>	<u>\$ -</u>	<u>\$ -</u>
15	13-Month Average	<u>\$ 23,523</u>	<u>\$ -</u>	<u>\$ -</u>
16	13-Month Net Average			<u>\$ 23,523</u>
<b>Amounts Assigned by Function:</b>				
17	Transmission Plant	15 0%		\$ 3,529
18	Distribution Plant	73 5%		17,289
19	General Plant	11 5%		2,705
20	Intangible Plant	0 0%		-
21	Construction Category	0 0%		-
22	Total	<u>100 00%</u>		<u>23,523</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
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 (\$ in Thousands)

Schedule C-6  
 Witness: Simpson  
 Page 1 of 1

**Accumulated Deferred Income Taxes**

Line No	Description	[ 1 ] Reference	[ 2 ] HTY Ended 12-31-17
<b><u>ACCUMULATED DEFERRED INCOME TAXES</u></b>			
1	Transmission Plant	A	\$ 140,640
2	Distribution Plant	A	424,963
3	General - Transmission	A	7,355
4	General - Distribution	A	52,432
5	Smart Meter	B	37,737
6	Total - Utility	Sum L 1 to L 5	663,127
7	Non-Utility		443
8	TOTAL	L 6 + L 7	\$ 663,570

A ADIT amounts calculated in accordance with IRS Regulation # 1.167

B ADIT on Smart Meter Plant included with Distribution

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule C-7**  
**Witness: Ankrum/O'Brien**  
**Page 1 of 1**

**Customer Deposits and Interest**

Line #	Description	Factor Or Reference	[ 1 ]	[ 2 ]
			Customer Deposits	Interest On Customer Deposits
1	December, 2016		\$ (9,951)	
2	January, 2017		(10,042)	\$ 19
3	February		(10,081)	19
4	March		(10,266)	23
5	April		(10,502)	20
6	May		(10,662)	20
7	June		(10,897)	24
8	July		(11,106)	20
9	August		(11,249)	26
10	September		(11,424)	26
11	October		(11,594)	26
12	November		(11,432)	26
13	December, 2017		(11,509)	41
14	Total	Sum L 1 to L 13	<u>\$ (140,715)</u>	<u>\$ 290</u>
15	Average Monthly Balance	L 14 / 13	<u>\$ (10,824)</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule C-8**  
**Witness: Ankrum/O'Brien**  
**Page 1 of 1**

**Capitalized Pension Adjustment**

Line #	Description	Reference Or Factor	[1]	[2]	[3]
			Capitalized Pension Contribution	SFAS - 87 Pension Capitalized	Pension Contribution Capitalized Over (Under) SFAS - 87 Capitalized [1]-[2]
	<u>Through December 31, 2012</u>				
1	Total Capitalized Contribution To 12-31-12		\$ 95,000		
2					
3	Amount Capitalized		<u>95,000</u>	\$ 44,385	\$ 50,615
	<u>Year Ended 12-31-13</u>				
4	Total Contribution		\$ 55,000		
5	Percent Capitalized		<u>50.00%</u>		
6	Amount Capitalized		<u>27,500</u>	\$ 17,342	\$ 10,158
	<u>Year Ended 12-31-14</u>				
7	Total Contribution		\$ 17,800		
8	Percent Capitalized		<u>50.00%</u>		
9	Amount Capitalized		<u>8,900</u>	\$ 9,980	\$ (1,080)
	<u>Year Ended 12-31-15</u>				
10	Total Contribution		\$ -		
11	Percent Capitalized		<u>50.00%</u>		
12	Amount Capitalized		<u>-</u>	\$ 11,054	\$ (11,054)
	<u>Year Ended 12-31-16</u>				
13	Total Contribution		\$ 40,000		
14	Percent Capitalized		<u>50.00%</u>		
15	Amount Capitalized		<u>20,000</u>	\$ 8,300	\$ 11,700
	<u>HTY Ended 12-31-17</u>				
16	Total Contribution		\$ 105,000		
17	Percent Capitalized		<u>50.00%</u>		
18	Amount Capitalized		<u>52,500</u>	\$ 10,000	\$ 42,500
19					
20					
21					
22					
23					
24					
25	Total	Sum L 1 to L 18	<u>\$ 203,900</u>	<u>\$ 101,061</u>	<u>\$ 102,839</u>

DUQUESNE LIGHT COMPANY  
HISTORIC YEAR ENDED DECEMBER 31, 2017  
(\$ in Thousands)

Schedule C-9  
Witness: Ankrum/O'Brien  
Page 1 of 1

CUSTOMER ADVANCES FOR CONSTRUCTION

Line #	Description	Factor Or Reference	[ 1 ] Customer Deposits	[ 2 ] Average	[ 3 ]
1	December, 2016		\$ (327)		
2	January, 2017		(527)		
3	February		(273)		
4	March		(77)		
5	April		(160)		
6	May		(3,076)		
7	June		(2,952)		
8	July		(3,129)		
9	August		(2,859)		
10	September		(2,876)		
11	October		(2,739)		
12	November		(2,605)		
13	December, 2017		(2,309)		
14	Total	Sum L 1 to L 13	<u>\$ (23,909)</u>		
15	Number of Months		<u>13</u>		
16	Average Monthly Balance	L 14 / L 15		<u>\$ (1,839)</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
 Historic Test Year - 12 Months Ended December 31, 2017  
 (\$ In Thousands)

Schedule **D-1**  
 Witness: **O'Brien/Gorman**  
 Page 1 of 3

**Jurisdictional Rate Base, Net Operating Income and Revenue Increase**

Table No 1  
 Eamed Rate of Return with Additional Proposed Revenues - PA Jurisdiction

Line No	Description	Reference	(1) ROR Before Additional Revenues	(2) Proposed Additional Revenues	(3) ROR With Additional Revenues
1	Total Electric Rate Base	D-1, P 3	<u>\$ 1,695,983</u>	<u>\$ -</u>	<u>\$ 1,695,983</u>
	Total Operating Revenues.				
2	Total Sales Revenues		\$ 486,527	\$ 73,416	\$ 559,943
3	Other Revenues - Off System Sales		-	-	-
4	Other Operating Revenues		<u>11,908</u>	<u>-</u>	<u>11,908</u>
5	Total Revenues	L 2 to L 4	498,435	73,416	571,851
	Total Operating Expenses				
6	Operation & Maintenance Expenses		185,331	1,025	186,356
7	Depreciation & Amortization Expense		128,827	-	128,827
8	Taxes Other Than Income Taxes		<u>34,636</u>	<u>4,332</u>	<u>38,967</u>
9	Total Operating Expenses	L 6 to L 8	<u>348,794</u>	<u>5,356</u>	<u>354,151</u>
10	Utility Operating Income Before Taxes	L 5 - L 9	<u>\$ 149,641</u>	<u>\$ 68,059</u>	<u>\$ 217,700</u>
	Income Taxes				
11	Federal		47,842	21,441	69,283
12	State		4,954	6,799	11,753
13	Total Income Taxes	L 11 + L 12	<u>52,795</u>	<u>28,240</u>	<u>81,035</u>
14	Total Operating Expenses	L 9 + L 13	<u>401,589</u>	<u>33,597</u>	<u>435,186</u>
15	Total Operating Income	L 5 - L 14	<u>\$ 96,846</u>	<u>\$ 39,819</u>	<u>\$ 136,665</u>
16	Rate of Return - %	L 15 / L 1	5.71%		8.06%



**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule D-1**  
**Witness: O'Brien/Gorman**  
**Page 2 of 3**

**Jurisdictional Rate Base, Net Operating Income and Revenue Increase**

Table No 2  
Determination of Jurisdictional Revenue Deficiency

Line No	Description	Reference	(1) Total Company	(2) Total PA Jurisdiction	(3) PA JSS Reference
1	Total Electric Rate Base	Table No 1	<u>\$ 2,292,465</u>	<u>\$ 1,695,983</u>	Table No 1
	Total Operating Revenues.				
2	Total Sales Revenues	D-3	859,808	486,527	Table No 5
3	Other Revenues - Off System Sales	D-3	1,433	-	Table No 5
4	Other Operating Revenues	D-3	<u>15,297</u>	<u>11,908</u>	Table No 5
5	Total Revenues		876,538	498,435	
	Total Operating Expenses				
6	Operation & Maintenance Expenses	D-4	427,302	185,331	Table No 6
7	Depreciation & Amortization Expense	D-17	156,348	128,827	Table No 7
8	Taxes Other Than Income Taxes	D-16	<u>52,684</u>	<u>34,636</u>	Table No 8
9	Total Operating Expenses		<u>636,333</u>	<u>348,794</u>	
10	Utility Operating Income Before Taxes		<u>240,205</u>	<u>149,641</u>	
	Income Taxes				
11	Federal	D-18	71,536	47,842	Table No 9
12	State	D-18	<u>11,076</u>	<u>4,954</u>	Table No 9
13	Total Operating Expenses		<u>718,945</u>	<u>401,589</u>	
14	Total Operating Income		<u>\$ 157,593</u>	<u>\$ 96,846</u>	
	Return Before Adjustments				
15	Earned Rate of Return - %			5.7103%	
16	Required Rate of Return - %	B-9		8.0600%	
17	Return at Required Rate of Return			\$ 136,696	
18	Income Deficiency - \$			39,851	
19	Revenue Deficiency - Tax Multiplier	D-18, Page 2		1.84227	
20	Revenue Deficiency-\$			\$ 73,416	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule D-1**  
**Witness: O'Brien/Gorman**  
**Page 3 of 3**

**Jurisdictional Rate Base, Net Operating Income and Revenue Increase**

Table No 3  
Electric Rate Base - Pennsylvania

Line No	Description	Reference	(1) Total Company	(2) Total PA Jurisdiction	(3) PA JSS Reference
1	Electric Plant in Service	C-2	\$ 4,117,573	\$ 3,142,414	Table No 1
2	Accumulated Provision for Depreciation	C-3	<u>(1,311,017)</u>	<u>(1,036,620)</u>	Table No 1
3	Net Electric Plant in Service		2,806,556	2,105,794	
Other Rate Base Items - Additions:					
4	Cash Working Capital	C-4	35,337	17,239	Table No 12
5	Materials & Supplies	C-5	23,523	19,995	Table No 1
6	Excess Pension Capitalized	C-8	<u>102,839</u>	<u>78,484</u>	
7	Total Additions		<u>161,699</u>	<u>115,717</u>	
8	Total Rate Base Before Deductions		2,968,255	2,221,512	
Other Rate Base Items - Deductions					
9	Customer Deposits	C-7	(10,824)	(10,824)	Table No 1
10	Customer Advances for Construction	C-9	(1,839)	(1,839)	
11	Accumulated Deferred Income Taxes	C-6	<u>(663,127)</u>	<u>(512,866)</u>	Table No 1
12	Total Deductions		<u>(675,790)</u>	<u>(525,529)</u>	
13	Total Electric Rate Base		<u>\$ 2,292,465</u>	<u>\$ 1,695,983</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ In Thousands)**

Schedule  
Witness:  
Page

D-2  
Ankrum/O'Brien  
1 of 1

**Adjusted Net Operating Income At Present Rates**

Line #	Description	Reference	[ 1 ]	[ 2 ]	[ 3 ]
			FTY Ended 12/31/17 Recorded	Adjustments D-3, Pgs 1 & 2 Increase (Decrease)	Pro Forma Adjusted Year Ended 4/30/15 [ 1 ] + [ 2 ]
<b>OPERATING REVENUES</b>					
1	Distribution Tariff Charges		\$ 445,728	\$ (6,763)	438,965
2	Surcharge Revenue		\$ 70,240	\$ (26,362)	43,878
3	Generation Charges		223,694	-	223,694
4	Transmission Charges		60,140	92,097	152,237
5	SP Distribution Revenue		-	-	-
6	Sales for Resale (Off System)		1,433	-	1,433
7			-	-	-
8	Late Payment Fees		3,684	-	3,684
9	Reconnect Fees		609	-	609
10	Miscellaneous Service		197	-	197
11	DL Transmission Dispatch		739	-	739
12	Rent From Electric Property		7,970	-	7,970
13	Customer Work -		1,452	-	1,452
14	Pole Attachment		1,111	-	1,111
15	Other Electric Revenue		92,666	(92,097)	569
16	Rate Increase		-	-	-
17	Total operating revenues	Sum L 1 to L 16	<u>909,663</u>	<u>(33,125)</u>	<u>876,538</u>
<b>OPERATING EXPENSES</b>					
18	Power Production Expense		-	-	-
19	Cost of Purchased Power		211,929	(1,019)	210,910
20	Other Production Expenses		-	-	-
21	Transmission		10,121	125	10,246
22	Distribution		44,977	432	45,409
23	Customer accounts	1 2500%	21,616	5,639	27,255
24	Customer service and info		24,743	(24,711)	32
25	Sales		-	-	-
26	Administrative and general	0 1461%	130,610	2,841	133,450
27	Depreciation		144,874	5,168	150,042
28	Amortization Other		6,306	-	6,306
29	Amort of Regulatory Exp		-	-	-
30	Taxes other than income	5.9000%	53,393	(709)	52,684
31	Other		-	-	-
32	Total operating expenses	Sum L 18 to L 31	<u>648,569</u>	<u>(12,236)</u>	<u>636,333</u>
33	Net Operating Income - BIT	L 17 - L 32	<u>\$ 261,094</u>	<u>\$ (20,889)</u>	<u>240,205</u>
<b>INCOME TAX EXPENSE</b>					
34	State Income Taxes				11,076
35	Federal Income Taxes				71,536
36	Total Income Taxes	L 33 + L 34			<u>82,612</u>
37	Net Operating Income	L32 - L 35			<u>\$ 157,593</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

Schedule **D-3**  
Witness: **O'Brien**  
Page **1** of **2**

**Adjustments to Net Operating Income**

Line #	Description	[1]	[2]	[3]	[4]	[5] Adjustments		[6]	[7]	[8] Adjustments		[9]	[10]	[11]	[12]
		As Recorded And Allocated	Surcharge	Efficiency Loss	Customer Annulazition	Revenue Update	0 Reclass	Supply Expense	Salanes & Wages	Rate Case Normalization	Benefits & Pensions	Uncollectible Expense	Sub-Total Profoma		
<b>OPERATING REVENUE</b>															
1	Distribution Tanff Charges	\$ 445,728	\$ -	\$ (8,179)	\$ 1,416	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 438,965
2	Surcharge Revenue	70,240	(26,362)	-	-	-	-	-	-	-	-	-	-	-	43,878
3	Generation Charges	223,694	-	-	-	-	-	-	-	-	-	-	-	-	223,694
4	Transmission Charges	60,140	-	-	-	-	92,097	-	-	-	-	-	-	-	152,237
5	Sales for Resale (Off System)	1,433	-	-	-	-	-	-	-	-	-	-	-	-	1,433
6		-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Late Payment Fees	3,684	-	-	-	-	-	-	-	-	-	-	-	-	3,684
8	Reconnect Fees	609	-	-	-	-	-	-	-	-	-	-	-	-	609
9	Miscellaneous Service	197	-	-	-	-	-	-	-	-	-	-	-	-	197
10	DL Transmission Dispatch	739	-	-	-	-	-	-	-	-	-	-	-	-	739
11	Rent From Electnc Property	7,970	-	-	-	-	-	-	-	-	-	-	-	-	7,970
12	Customer Work -	1,452	-	-	-	-	-	-	-	-	-	-	-	-	1,452
13	Pole Attachment	1,111	-	-	-	-	-	-	-	-	-	-	-	-	1,111
14	Other Electnc Revenue	92,666	-	-	-	-	(92,097)	-	-	-	-	-	-	-	569
15	Total operating revenues	Sum L 1 to L 14	909,663	(26,362)	(8,179)	1,416	-	-	-	-	-	-	-	-	876,538
<b>OPERATING EXPENSE</b>															
16	Power Production Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Cost of Purchased Power	211,929	-	-	-	-	-	(1,019)	-	-	-	-	-	-	210,910
18	Other Production Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Transmission	10,121	-	-	-	-	-	-	125	-	-	-	-	-	10,246
20	Distribution	44,977	-	-	-	-	-	-	432	-	-	-	-	-	45,409
21	Customer accounts	21,616	-	-	-	-	-	-	230	-	-	-	-	-	26,965
22	Customer service and info	24,743	(24,712)	-	-	-	-	-	1	-	-	-	-	-	32
23	Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Administrative and general	130,610	(246)	-	-	-	-	-	582	(233)	4,394	-	-	-	135,106
25	Depreciation	144,874	-	-	-	-	-	-	-	-	-	-	-	-	144,874
26	Amortization Other	6,306	-	-	-	-	-	-	-	-	-	-	-	-	6,306
27	Amort of Regulatory Exp	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Taxes other than income	53,393	-	-	-	-	-	-	-	-	-	-	-	-	53,393
29	Total operating expenses	Sum L 16 to L 28	648,569	(24,958)	-	-	-	(1,019)	1,369	(233)	4,394	-	5,119	633,241	
30	Net operating margins Before Income Tax	L 15 - L 29	\$ 261,094	\$ (1,404)	\$ (8,179)	\$ 1,416	\$ -	\$ -	\$ 1,019	\$ (1,369)	\$ 233	\$ (4,394)	\$ (5,119)	\$ 243,298	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

Schedule **D-3**  
**Witness: O'Brien**  
Page **2** of **2**

**Adjustments to Net Operating Income**

Line #	Description	[ 13 ]	[ 14 ]	[ 15 ]	[ 16 ]	[ 17 ]	[ 18 ]	[ 19 ]	[ 20 ]	[ 21 ]	[ 22 ]	[ 23 ]	[ 24 ]
		From Page 1 Sub-total	Cloud Adjustment	Gross Receipts Tax Exp	FICA, FUI SUI Exp	Adjustments	Pro Forma Depre Adj	Interest on Cust Dep	0 0	Adjustments			
<b>OPERATING REVENUE</b>													\$ -
31	Distribution Tariff Charges	438,965											438,965
32	Surcharge Revenue	43,878											43,878
33	Generation Charges	223,694											223,694
34	Transmission Charges	152,237											152,237
35	Sales for Resale (Off System)	1,433											1,433
36		-											-
37	Late Payment Fees	3,684											3,684
38	Reconnect Fees	609											609
39	Miscellaneous Service	197											197
40	DL Transmission Dispatch	739											739
41	Rent From Electric Property	7,970											7,970
42	Customer Work -	1,452											1,452
43	Pole Attachment	1,111											1,111
44	Other Electric Revenue	569											569
45	<b>Total operating revenues</b>	Sum L 31 to L 44 <u>876,538</u>	-	-	-	-	-	-	-	-	-	-	<u>876,538</u>
<b>OPERATING EXPENSE</b>													
46	Power Production Expense	-	-	-	-	-	-	-	-	-	-	-	-
47	Cost of Purchased Power	210,910	-	-	-	-	-	-	-	-	-	-	210,910
48	Other Production Expenses	-	-	-	-	-	-	-	-	-	-	-	-
49	Transmission	10,246	-	-	-	-	-	-	-	-	-	-	10,246
50	Distribution	45,409	-	-	-	-	-	-	-	-	-	-	45,409
51	Customer accounts	26,965	-	-	-	-	-	290	-	-	-	-	27,255
52	Customer service and info	32	-	-	-	-	-	-	-	-	-	-	32
53	Sales	-	-	-	-	-	-	-	-	-	-	-	-
54	Administrative and general	135,106	(1,656)	-	-	-	-	-	-	-	-	-	133,450
55	Depreciation	144,874	1,035	-	-	4,133	-	-	-	-	-	-	150,042
56	Amortization Other	6,306	-	-	-	-	-	-	-	-	-	-	6,306
57	Amort of Regulatory Exp	-	-	-	-	-	-	-	-	-	-	-	-
58	Taxes other than income	53,393	-	(831)	122	-	-	-	-	-	-	-	52,684
59	<b>Total operating expenses</b>	Sum L 46 to L 58 <u>633,241</u>	<u>(621)</u>	<u>(831)</u>	<u>122</u>	<u>4,133</u>	<u>-</u>	<u>290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>636,333</u>
60	<b>Net operating margins Before Income Tax</b>	L 45 - L 59 <u>\$ 243,298</u>	<u>\$ 621</u>	<u>\$ 831</u>	<u>\$ (122)</u>	<u>\$ (4,133)</u>	<u>\$ -</u>	<u>\$ (290)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 240,205</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule D-5**  
**Witness: O'Brien**  
**Page 1 of 1**

**Summary of Revenue Adjustments**

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
		Reference Or Account Number	HTY End 12-31-17 Pro Forma	D-5A Surcharge Revenue	D-5B Revenue Loss	D-5C Revenue Annualization	Other	Reclass	Total Proforma Adjustments [3 to 7]	Proforma Adjusted At Present Rates [2] + [8]
1	Distribution Tariff Charges		\$ 445,728	\$ -	\$ (8,179)	\$ 1,416	\$ -	\$ -	\$ (6,763)	\$ 438,965
2	Surcharge Revenue		70,240	(26,362)	-	-	-	-	(26,362)	43,878
3	Generation Charges		223,694	-	-	-	-	-	-	223,694
4	Transmission Charges		60,140	-	-	-	-	92,097	92,097	152,237
5	Sum Sales to Customers	Sum L 1 to L 3	799,802	(26,362)	(8,179)	1,416	-	92,097	58,972	858,774
6	SP Distribution Revenue		-	-	-	-	-	-	-	-
7	Sub-Total	L 4 + L 5	799,802	(26,362)	(8,179)	1,416	-	92,097	58,972	858,774
8	Sales for Resale (Off System)		1,433	-	-	-	-	-	-	1,433
9	Total Sales of Electricity	L 6 + L 7	801,235	(26,362)	(8,179)	1,416	-	92,097	58,972	860,207
10	Late Payment Fees		3,684	-	-	-	-	-	-	3,684
11	Returned Check Charges		217	-	-	-	-	-	-	217
12	Reconnect Fees		392	-	-	-	-	-	-	392
13	Miscellaneous Service		197	-	-	-	-	-	-	197
14	DL Transmission Dispatch		739	-	-	-	-	-	-	739
15	Rent From Electric Property		7,970	-	-	-	-	-	-	7,970
16	Customer Work -		1,452	-	-	-	-	-	-	1,452
17	Pole Attachment		1,111	-	-	-	-	-	-	1,111
	<b>Other Electric Revenue</b>		-	-	-	-	-	-	-	-
18	Other Electric Revenues (456 01)		274	-	-	-	-	-	-	274
19	AES BV Partners - Transmission		-	-	-	-	-	-	-	-
20	Dominion Marketing Revenue		295	-	-	-	-	-	-	295
21	PHM DLCO Firm		-	-	-	-	-	-	-	-
22	Transmission - EGS		85,467	-	-	-	-	(85,467)	(85,467)	-
23	Transmission - Wholesale		6,317	-	-	-	-	(6,317)	(6,317)	-
24	Transmission - Tax Norm		313	-	-	-	-	(313)	(313)	-
25	Total Present Rate Revenues	Sum L 8 to L 23	909,663	(26,362)	(8,179)	1,416	-	-	(33,125)	876,538
26	Other Revenue		-	-	-	-	-	-	-	-
27	<b>TOTAL REVENUES</b>	L 26 + L 27	<b>\$ 909,663</b>	<b>\$ (26,362)</b>	<b>\$ (8,179)</b>	<b>\$ 1,416</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (33,125)</b>	<b>\$ 876,538</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

Schedule **D-5A**  
 Witness: **O'Brien**  
 Page **1** of **1**

**Remove Surcharge Revenue**

Line #	Description	Revenue From		[ 3 ] Sub-Total	[ 4 ] GRT	[ 5 ] Net
		[ 1 ] Surcharges "Rolled-in"	[ 2 ] Surcharges Retained			
					0 059	
	<b><u>ECC SURCHARGE</u></b>					
1	RESIDENTIAL		\$ 3,721		(220)	
2	COMMERCIAL - Small C&I		533		(31)	
3	COMMERCIAL - Medium C&I		2,876		(170)	
4	COMMERCIAL - Large C&I		5,304		(313)	
5	Sub-Total			\$ 12,434	(734)	11,700
	<b><u>UNIVERSAL SERVICE</u></b>					
6	RESIDENTIAL		32,027		(1,890)	
7	Sub-Total			32,027	(1,890)	30,137
	<b><u>CAP REVENUE CREDIT</u></b>					
8	RESIDENTIAL		(18,099)		1,068	
9	Sub-Total			(18,099)	1,068	(17,031)
	<b><u>SMART METER</u></b>					
10	RESIDENTIAL	\$ 30,990				
11	COMMERCIAL - Small C&I	2,830				
12	COMMERCIAL - Medium C&I	770				
13	COMMERCIAL - Large C&I	73				
14	Sub-Total		\$ 34,663			
	<b><u>DISC</u></b>					
15	RESIDENTIAL		5,345			
16	COMMERCIAL - Small C&I		623			
17	COMMERCIAL - Medium C&I		1,295			
18	COMMERCIAL - Large C&I		1,614			
19	STREET LIGHTING		230			
20	Sub-Total					9,107
	<b><u>RETAIL MARKET ENHANCEMENT</u></b>					
21	RESIDENTIAL		699			
22	COMMERCIAL - Small C&I		73			
23	COMMERCIAL - Medium C&I		84			
24	STREET LIGHTING		6			
25	Sub-Total					862
	<b><u>STAS</u></b>					
26	RESIDENTIAL		(451)			
27	COMMERCIAL - Small C&I		(48)			
28	COMMERCIAL - Medium C&I		(109)			
29	COMMERCIAL - Large C&I		(130)			
30	STREET LIGHTING		(16)			
31	Sub-Total					(754)
32	Total Revenue - Roll Into Base Rates	L 10 to L 31	\$ 43,878			
33	Total Revenue - Adjustment to Revenue	L 1 to L 9		\$ 26,362		
34	Gross Receipts Tax				\$ (1,555)	
35	Net Revenue after GRT offset	L 33 + L 34				\$ 24,807
36	(Reflected on Taxes - Other Than Income Sch D-3, S-1)					(24,958)
37	Equivalent from Expense Summary					
38	Difference					\$ (151)

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule D-5B**  
**Witness: O'Brien**  
**Page 1 of 1**

**Revenue Loss Adjustment**

Line #	Description	Reference	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]
			<b>VARIABLE REVENUE</b>				Pro Forma Adjustment	
			2019	2020	2021	2022		
<b><u>Total Pro Forma Variable Revenue</u></b>								
1	--Residential		\$ 180,244	\$ 177,449	\$ 174,702	\$ 172,376		
2	--Commercial		137,582	136,672	135,106	133,613		
3	--Industrial		31,178	31,208	30,848	30,511		
4	--Street Lighting & UMS		307	305	304	302		
5	Total	L 1 to L 6	<u>\$ 349,311</u>	<u>\$ 345,634</u>	<u>\$ 340,960</u>	<u>\$ 336,802</u>		
<b><u>Target Revenue Loss in 2020</u></b>								
6	--Residential			\$ (2,795)				
7	--Commercial			(910)				
8	--Industrial			30				
9	--Street Lighting & UMS			(2)				
10	Total	L 8 to L 13		<u>          </u>			\$ (3,677)	
<b><u>Target Revenue Loss in 2021</u></b>								
11	--Residential				\$ (5,542)			
12	--Commercial				(2,476)			
13	--Industrial				(330)			
14	--Street Lighting & UMS				(3)			
15	Total	L 15 to L 20			<u>          </u>			(8,351)
<b><u>Target Revenue Loss in 2022</u></b>								
16	--Residential					\$ (7,868)		
17	--Commercial					(3,969)		
18	--Industrial					(667)		
19	--Street Lighting & UMS					(5)		
20	Total	L 16 to L 19				<u>          </u>		(12,509)
21	Total Revenue Loss 2020 to 2022							<u>\$ (24,537)</u>
22	Average for Pro Forma Adjustment				<u>3</u>			<u>\$ (8,179)</u>



**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule D-5C**  
**Witness: O'Brien**  
**Page 1 of 1**

**Revenue Annualization**

Line #	Description	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]
		Residential	Small C&I	Medium C&I	Large C&I	Street Lighting	Total
1	Test Year Distribution Revenue	\$ 452,895	\$ 53,893	\$ 116,782	\$ 103,503	\$ 12,633	\$ 739,506
2	Commodity Billings in Revenues	156,031	19,271	38,509	9,029	854	223,694
3	Revenues net of Commodity - Margin ( L 1 - L 2 )	<u>\$ 296,664</u>	<u>\$ 34,622</u>	<u>\$ 78,273</u>	<u>\$ 94,474</u>	<u>\$ 11,779</u>	<u>\$ 515,812</u>
4	Average Monthly Customers in TY	<u>529,319</u>	<u>43,569</u>	<u>10,989</u>	<u>854</u>	<u>6,497</u>	<u>591,228</u>
5	Average Annual Margin Per Customer ( L 3 / L 4 )	<u>\$ 0.560</u>	<u>\$ 0.795</u>	<u>\$ 7.123</u>	<u>\$ 110.625</u>	<u>\$ 1.813</u>	<u>\$ 0.872</u>
6	Number of Customers at End of Year	<u>532,902</u>	<u>43,608</u>	<u>10,996</u>	<u>848</u>	<u>6,493</u>	<u>594,847</u>
7	Increase in Customers during TY ( L 6 - L 4 )	<u>3,583</u>	<u>39</u>	<u>7</u>	<u>(6)</u>	<u>(4)</u>	<u>3,619</u>
8	Annualization of Revenue ( L 5 * L 7 )	<u>\$ 2,006</u>	<u>\$ 31</u>	<u>\$ 50</u>	<u>\$ (664)</u>	<u>\$ (7)</u>	<u>\$ 1,416</u>

**Duquesne Light Company**  
**Historic Test Year Revenue at Present Rates**  
**12 Month Period Ended December 31, 2017 at Customer Shopping Levels**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Line	Rate Class	Average No Customers	Distribution Sales (kWh)	POLR Sales (kWh)	Base Distribution Present Rate Revenue	CAP Revenue Credit	Act 129 Energy Efficiency (EEC) Surcharge	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Retail Market Enhancement Surcharge Non-POR	Universal Service Charge	State Tax Adj Surcharge (STAS)	Distribution System Improvement Charge (DSIC)	Distribution (Sum Col F - N)	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Total Present Rate Revenue
1	RS	490 877	3,476,240,452	2 294 753 210	\$222 623 896	(\$15 161 403)	\$3 443 981	\$28 763 924	\$343 546	\$304 411	\$28 893 922	(\$415 475)	\$4,863,338	\$273,660,119	\$41,630,174	\$137,458,060	\$452,748,354
2	RH	33 592	344 263 277	277 180 878	\$17 686 947	(\$2,826,591)	\$228 471	\$1 943 014	\$23,852	\$20,689	\$2,680,352	(\$31 632)	\$426,336	\$20,131,238	\$2,961,708	\$16,364,905	\$39,457,852
3	RA	4 851	54,413,554	37 033 506	\$2 122 862	(\$111 262)	\$48 208	\$282 718	\$3 447	\$2 957	\$472 481	(\$4 123)	\$55,419	\$2,872,726	\$609 441	\$2 207,825	\$5 688 992
4	GS	22 882	91,255,462	65 193 986	\$7 934 925	\$0	\$76,190	\$1,389,982	\$24 127	\$14 252	\$0	(\$13,064)	\$171,979	\$9 598,381	\$857 945	\$3 495 945	\$13 852 271
5	GM<25	18 354	477,329,135	271,048,725	\$20 687,253	\$0	\$426 799	\$1 295 796	\$19,238	\$11,394	\$0	(\$30,918)	\$404,589	\$22,814,152	\$4 912 017	\$14,560,345	\$42,286,514
6	GM>25	9,946	2,267,602,898	652,640,796	\$67 225 892	\$0	\$2,656,466	\$702 405	\$70 357	\$6,162	\$0	(\$99 619)	\$1 170,241	\$71 731 904	\$6,152,436	\$34 649 491	\$112 533 831
7	GMH<25	2 238	35,781,890	22,672,546	\$1 991,279	\$0	\$29 665	\$144 570	\$2,346	\$1 391	\$0	(\$3,513)	\$46,808	\$2,212,346	\$316 216	\$1,214,381	\$3,742,943
8	GMH>25	1,043	224,357,883	72 089 099	\$6 048 732	\$0	\$219,834	\$67 343	\$7,382	\$646	\$0	(\$9,510)	\$124,950	\$6,459,377	\$673 751	\$3,859,506	\$10,992,634
9	GL	733	2,782 366,585	152,189,853	\$59,109,985	\$0	\$4 282 093	\$61 214	\$0	\$459	\$0	(\$89 108)	\$1 056 379	\$64,421 021	\$1 594,269	\$7,481 501	\$73,496 791
10	GLH	92	403,754,111	30 392 545	\$7 980 839	\$0	\$537,401	\$7,448	\$0	\$58	\$0	(\$12,583)	\$168,845	\$8,080,007	\$327 955	\$1,494,067	\$10,502,029
11	L	26	1,267 615,229	1,082,385	\$20,193,207	\$0	\$349 732	\$3 649	\$0	\$16	\$0	(\$27 449)	\$376 311	\$20,865,466	\$0	\$53,209	\$20,948 675
12	HVPS	4	1,181,793,831	0	\$563,694	\$0	\$135,324	\$503	\$0	\$2	\$0	(\$977)	\$14,021	\$712,567	\$0	\$0	\$712,567
13	AL	3	110 818	14,152	\$909	\$0	\$0	\$176	\$0	\$3	\$0	(\$1)	\$19	\$1 105	\$74	\$555	\$1 734
14	SE	1	23,430,081	0	\$1 352 771	\$0	\$0	\$0	\$0	\$1	\$0	(\$1,750)	\$23,447	\$1,374,489	\$0	\$0	\$1,374,469
15	SM	174	27 919 325	12,892,103	\$8 689 115	\$0	\$0	\$0	\$0	\$157	\$0	(\$11 359)	\$179 531	\$8 857 444	\$62 711	\$542 022	\$9 462 177
16	SH	13	939 914	939 914	\$104 316	\$0	\$0	\$0	\$0	\$12	\$0	(\$158)	\$2,084	\$106,263	\$4 074	\$33,182	\$143,520
17	UMS	5 494	21,090,850	3 238 046	\$992 217	\$0	\$0	\$0	\$0	\$4 948	\$0	(\$1 420)	\$16,163	\$1,011,908	\$25 509	\$193,051	\$1,230 468
18	PAL	811	2 977 577	2 286 731	\$418 897	\$0	\$0	\$0	\$0	\$730	\$0	(\$688)	\$8 780	\$427 721	\$11 542	\$85,727	\$524 991
19	<b>Total</b>	<b>591,234</b>	<b>12,663,242,772</b>	<b>3,896,630,573</b>	<b>\$445,727,755</b>	<b>(\$18,099,256)</b>	<b>\$12,434,145</b>	<b>\$34,662,751</b>	<b>\$484,094</b>	<b>\$369,287</b>	<b>\$32,026,755</b>	<b>(\$753,366)</b>	<b>\$9,107,049</b>	<b>\$515,968,214</b>	<b>\$60,139,822</b>	<b>\$223,693,774</b>	<b>\$799,601,810</b>
20	<b>Other Electric Revenue</b>																
21	Sales for Resale (Acct 447)															\$1 433 230	\$1,433,230
22	Late Payment/Returned Check Charges (Acct. 450)				\$3 901 088									\$3,901,088			\$3,901,088
23	Reconnect Fees/PJM Office (Acct 451)				\$696 346									\$696 346	\$738 968		\$1 435 314
24	Rent Electric Property (Acct 454)				\$10 533 215									\$10 533 215			\$10 533 215
25	Other Revenue (Acct 456)				\$461 949									\$461,949			\$461 949
26	Utility Operations (Acct. 417)				\$0									\$0			\$0
27	Transmission - EGS (Acct 456)														\$85 467 035		\$85,467,035
28	Transmission - Wholesale (Acct. 456)														\$6 316 360		\$6,316,360
29	Transmission - Tax Norm														\$313,087		\$313,087
30	<b>Subtotal Other Revenue</b>				<b>\$15,592,598</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,592,598</b>	<b>\$92,835,450</b>	<b>\$1,433,230</b>	<b>\$109,861,278</b>
31	<b>Total Operating Revenue</b>				<b>\$461,320,353</b>	<b>(\$18,099,256)</b>	<b>\$12,434,145</b>	<b>\$34,662,751</b>	<b>\$484,094</b>	<b>\$369,287</b>	<b>\$32,026,755</b>	<b>(\$753,366)</b>	<b>\$9,107,049</b>	<b>\$531,560,812</b>	<b>\$152,975,272</b>	<b>\$225,127,004</b>	<b>\$909,663,086</b>

**Duquesne Light Company**  
**Adjusted Historic Test Year Revenue at Present Rates**  
**12 Month Period Ended December 31, 2017 at Customer Shopping Levels**

A	B	C	D	E	F	G	H	I	J	K	L
Line	Rate Class	Distribution Present Rate Revenue	State Tax Adj Surcharge (STAS)	Distribution (Sum Col C - D)	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Distribution System Improvement Charge (DSIC)	Surcharge Adjusted Distribution (Sum Col E - H)	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Adjusted Present Rate Revenue
1	RS	\$222,623,896	(\$415,475)	\$222,208,421	\$28,763,924	\$343,546	\$4,863,338	\$256,179,228	\$41,630,174	\$137,458,060	\$435,267,463
2	RH	\$17,686,947	(\$31,632)	\$17,655,315	\$1,943,014	\$23,652	\$426,336	\$20,048,317	\$2,961,708	\$16,364,905	\$39,374,930
3	RA	\$2,122,882	(\$4,123)	\$2,118,760	\$282,718	\$3,447	\$55,419	\$2,460,343	\$609,441	\$2,207,825	\$5,277,609
4	GS	\$7,934,925	(\$13,084)	\$7,921,841	\$1,389,992	\$24,127	\$171,979	\$9,507,938	\$857,945	\$3,495,945	\$13,861,828
5	GM<25	\$20,687,253	(\$30,918)	\$20,656,335	\$1,295,796	\$19,239	\$404,589	\$22,375,959	\$4,912,017	\$14,560,345	\$41,848,321
6	GM>25	\$67,225,892	(\$99,619)	\$67,126,273	\$702,405	\$70,357	\$1,170,241	\$69,069,275	\$6,152,436	\$34,649,491	\$109,871,203
7	GMH<25	\$1,991,279	(\$3,513)	\$1,987,766	\$144,570	\$2,346	\$46,608	\$2,181,290	\$316,216	\$1,214,381	\$3,711,887
8	GMH>25	\$6,048,732	(\$9,510)	\$6,039,222	\$67,343	\$7,382	\$124,950	\$6,238,898	\$673,751	\$3,859,506	\$10,772,154
9	GL	\$59,109,985	(\$89,108)	\$59,020,878	\$61,214	\$0	\$1,056,379	\$60,138,470	\$1,594,269	\$7,481,501	\$69,214,240
10	GLH	\$7,980,839	(\$12,583)	\$7,968,256	\$7,448	\$0	\$166,845	\$8,142,548	\$327,955	\$1,494,067	\$9,964,570
11	L	\$20,193,207	(\$27,449)	\$20,165,758	\$3,649	\$0	\$376,311	\$20,545,718	\$0	\$53,209	\$20,598,927
12	HVPS	\$563,694	(\$977)	\$562,716	\$503	\$0	\$14,021	\$577,240	\$0	\$0	\$577,240
13	AL	\$909	(\$1)	\$907	\$176	\$0	\$19	\$1,102	\$74	\$555	\$1,731
14	SE	\$1,352,771	(\$1,750)	\$1,351,020	\$0	\$0	\$23,447	\$1,374,468	\$0	\$0	\$1,374,468
15	SM	\$8,689,115	(\$11,359)	\$8,677,756	\$0	\$0	\$179,531	\$8,857,287	\$62,711	\$542,022	\$9,462,020
16	SH	\$104,316	(\$158)	\$104,158	\$0	\$0	\$2,094	\$106,252	\$4,074	\$33,182	\$143,508
17	UMS	\$992,217	(\$1,420)	\$990,797	\$0	\$0	\$16,163	\$1,006,960	\$25,509	\$193,051	\$1,225,520
18	PAL	\$418,897	(\$686)	\$418,212	\$0	\$0	\$8,780	\$426,992	\$11,542	\$85,727	\$524,261
19	<b>Total</b>	<b>\$445,727,755</b>	<b>(\$753,366)</b>	<b>\$444,974,389</b>	<b>\$34,662,751</b>	<b>\$494,094</b>	<b>\$9,107,049</b>	<b>\$489,238,283</b>	<b>\$60,139,822</b>	<b>\$223,693,774</b>	<b>\$773,071,879</b>
20	<b>Other Electric Revenue</b>										
21	Sales for Resale (Acct 447)									\$1,433,230	\$1,433,230
22	Late Payment/Returned Check Charges (Acct 450)	\$3,901,088		\$3,901,088				\$3,901,088			\$3,901,088
23	Reconnect Fees/PJM Office (Acct 451)	\$696,346		\$696,346				\$696,346	\$738,968		\$1,435,314
24	Rent Electric Property (Acct 454)	\$10,533,215		\$10,533,215				\$10,533,215			\$10,533,215
25	Other Revenue (Acct 456)	\$461,949		\$461,949				\$461,949			\$461,949
26	Utility Operations (Acct 417)	\$0		\$0				\$0			\$0
27	Revenue Annualization	\$2,271,690		\$2,271,690				\$2,271,690			\$2,271,690
28	Revenue Loss Adjustment	(\$8,178,956)		(\$8,178,956)				(\$8,178,956)			(\$8,178,956)
29	Transmission - EGS (Acct 456)								\$85,467,035		\$85,467,035
30	Transmission - Wholesale (Acct 456)								\$6,316,360		\$6,316,360
31	Transmission - Tax Norm								\$313,087		\$313,087
32	<b>Subtotal Other Revenue</b>	<b>\$9,685,332</b>	<b>\$0</b>	<b>\$9,685,332</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,685,332</b>	<b>\$92,835,450</b>	<b>\$1,433,230</b>	<b>\$103,954,012</b>
33	<b>Total Operating Revenue</b>	<b>\$455,413,087</b>	<b>(\$753,366)</b>	<b>\$454,659,721</b>	<b>\$34,662,751</b>	<b>\$494,094</b>	<b>\$9,107,049</b>	<b>\$498,923,615</b>	<b>\$152,975,272</b>	<b>\$225,127,004</b>	<b>\$877,025,891</b>

**Duquesne Light Company**  
**Historic Test Year at Proposed Distribution Rates**  
**12 Month Period Ended December 31, 2017 at Customer Shopping Levels**

A	B	C	D	E	F	G	H	I	J	
Line	Rate Class	Distribution Revenue at Proposed Rates	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Total Proposed Rate Revenue (Sum Col C - E)	Total Revenue Change	Total Percent Change	Distribution Revenue Change	Distribution Percent Change	
1	RS	\$308,272,063	\$41,630,174	\$137,458,060	\$487,360,297	\$52,092,835	12.0%	\$52,092,835	20.3%	
2	RH	\$24,272,684	\$2,961,708	\$16,364,905	\$43,599,297	\$4,224,367	10.7%	\$4,224,367	21.1%	
3	RA	\$2,961,088	\$609,441	\$2,207,825	\$5,778,354	\$500,745	9.5%	\$500,745	20.4%	
4	GS	\$11,121,668	\$857,945	\$3,495,945	\$15,475,557	\$1,613,730	11.6%	\$1,613,730	17.0%	
5	GM<25	\$27,328,479	\$4,912,017	\$14,560,345	\$46,800,841	\$4,952,520	11.8%	\$4,952,520	22.1%	
6	GM>25	\$79,415,601	\$6,152,436	\$34,649,491	\$120,217,529	\$10,346,326	9.4%	\$10,346,326	15.0%	
7	GMH<25	\$2,618,041	\$316,216	\$1,214,381	\$4,148,638	\$436,751	11.8%	\$436,751	20.0%	
8	GMH>25	\$7,826,189	\$673,751	\$3,859,506	\$12,359,445	\$1,587,291	14.7%	\$1,587,291	25.4%	
9	GL	\$68,589,894	\$1,594,269	\$7,481,501	\$77,665,664	\$8,451,424	12.2%	\$8,451,424	14.1%	
10	GLH	\$9,729,396	\$327,955	\$1,494,067	\$11,551,418	\$1,586,848	15.9%	\$1,586,848	19.5%	
11	L	\$22,399,802	\$0	\$53,209	\$22,453,011	\$1,854,084	9.0%	\$1,854,084	9.0%	
12	HVPS	\$956,043	\$0	\$0	\$956,043	\$378,803	65.6%	\$378,803	65.6%	
13	AL	\$1,087	\$74	\$555	\$1,716	(\$15)	-0.9%	(\$15)	-1.3%	
14	SE	\$1,413,911	\$0	\$0	\$1,413,911	\$39,443	2.9%	\$39,443	2.9%	
15	SM	\$9,109,293	\$62,711	\$542,022	\$9,714,026	\$252,006	2.7%	\$252,006	2.8%	
16	SH	\$109,362	\$4,074	\$33,182	\$146,618	\$3,110	2.2%	\$3,110	2.9%	
17	UMS	\$929,714	\$25,509	\$193,051	\$1,148,274	(\$77,246)	-6.3%	(\$77,246)	-7.7%	
18	PAL	\$439,109	\$11,542	\$85,727	\$536,379	\$12,118	2.3%	\$12,118	2.8%	
19	<b>Total</b>	<b>\$577,493,423</b>	<b>\$60,139,822</b>	<b>\$223,693,774</b>	<b>\$861,327,019</b>	<b>\$88,255,141</b>	<b>11.4%</b>	<b>\$88,255,141</b>	<b>18.0%</b>	
20	<u>Other Electric Revenue:</u>									
21	Sales for Resale (Acct 447)			\$1,433,230	\$1,433,230	\$0		\$0		
22	Late Payment/Returned Check Charges (Acct 450)	\$3,901,088			\$3,901,088	\$0		\$0		
23	Reconnect Fees/PJM Office (Acct 451)	\$696,346	\$738,968		\$1,435,314	\$0		\$0		
24	Rent Electric Property (Acct. 454)	\$10,533,215			\$10,533,215	\$0		\$0		
25	Other Revenue (Acct 456)	\$461,949			\$461,949	\$0		\$0		
26	Utility Operations (Acct. 417)	\$0			\$0	\$0		\$0		
27	Revenue Annualization	\$2,271,690			\$2,271,690	\$0		\$0		
28	Revenue Loss Adjustment	(\$8,178,956)			(\$8,178,956)	\$0		\$0		
29	Transmission - EGS (Acct 456)		\$85,467,035		\$85,467,035	\$0		\$0		
30	Transmission - Wholesale (Acct. 456)		\$6,316,360		\$6,316,360	\$0		\$0		
31	Transmission - Tax Norm		\$313,087		\$313,087	\$0		\$0		
32	<b>Subtotal Other Revenue</b>	<b>\$9,685,332</b>	<b>\$92,835,450</b>	<b>\$1,433,230</b>	<b>\$103,954,012</b>	<b>\$0</b>		<b>\$0</b>		
33	<b>Total Operating Revenue</b>	<b>\$587,178,756</b>	<b>\$152,975,272</b>	<b>\$225,127,004</b>	<b>\$965,281,032</b>	<b>\$88,255,141</b>	<b>10.1%</b>	<b>\$88,255,141</b>	<b>17.7%</b>	

**Duquesne Light Company**  
**Historic Test Year Revenue at Present Rates**  
**12 Month Period Ended December 31, 2017 Assuming No Customer Shopping (I.e. 100% Default Service Load)**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Line	Rate Class	Average No Customers	Distribution Sales (kWh)	100% POLR Sales (kWh)	Base Distribution Present Rate Revenue	CAP Revenue Credit	Act 129 Energy Efficiency (EECDR) Surcharge	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Retail Market Enhancement Surcharge Non-POR	Universal Service Charge	State Tax Adj Surcharge (STAS)	Distribution System Improvement Charge (DSIC)	Distribution (Sum Col F - N)	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Total Present Rate Revenue
1	RS	490,877	3,476,240,452	3,476,240,452	\$222,623,896	(\$15,161,403)	\$3,443,961	\$28,763,924	\$343,546	\$304,411	\$28,893,922	(\$415,475)	\$4,863,338	\$273,660,119	\$63,121,440	\$208,177,254	\$544,958,813
2	RH	33,592	344,263,277	344,263,277	\$17,686,947	(\$2,826,591)	\$228,471	\$1,943,014	\$23,652	\$20,689	\$2,660,352	(\$31,632)	\$426,336	\$20,131,238	\$3,680,164	\$20,323,033	\$44,134,436
3	RA	4,851	54,413,554	54,413,554	\$2,122,882	(\$111,262)	\$48,208	\$282,718	\$3,447	\$2,957	\$472,481	(\$4,123)	\$55,419	\$2,872,726	\$695,535	\$3,243,780	\$7,012,040
4	GS	22,982	91,255,462	91,255,462	\$7,934,925	\$0	\$76,190	\$1,389,992	\$24,127	\$14,252	\$0	(\$13,084)	\$171,979	\$9,596,381	\$1,201,028	\$5,006,926	\$15,808,335
5	GM<25	18,354	477,329,135	477,329,135	\$20,687,253	\$0	\$426,799	\$1,295,796	\$19,239	\$11,394	\$0	(\$30,918)	\$404,589	\$22,814,152	\$7,123,774	\$23,761,019	\$53,698,944
6	GM>25	9,946	2,267,602,898	2,267,602,898	\$67,225,892	\$0	\$2,656,466	\$702,405	\$70,357	\$6,162	\$0	(\$99,619)	\$1,170,241	\$71,731,904	\$23,092,742	\$122,177,102	\$217,001,748
7	GMH<25	2,238	35,781,890	35,781,890	\$1,991,279	\$0	\$29,665	\$144,570	\$2,346	\$1,391	\$0	(\$3,513)	\$46,608	\$2,212,346	\$460,366	\$1,916,550	\$4,589,261
8	GMH>25	1,043	224,357,883	224,357,883	\$6,048,732	\$0	\$219,834	\$67,343	\$7,362	\$646	\$0	(\$9,510)	\$124,950	\$6,459,377	\$1,930,876	\$12,225,014	\$20,615,268
9	GL	733	2,782,366,585	2,782,366,585	\$59,109,985	\$0	\$4,282,093	\$61,214	\$0	\$459	\$0	(\$89,108)	\$1,056,379	\$64,421,021	\$29,203,387	\$136,778,359	\$230,402,767
10	GLH	92	403,754,111	403,754,111	\$7,960,839	\$0	\$537,401	\$7,448	\$0	\$58	\$0	(\$12,583)	\$166,845	\$8,680,007	\$4,253,202	\$19,848,148	\$32,781,357
11	L	26	1,267,615,229	1,267,615,229	\$20,193,207	\$0	\$349,732	\$3,649	\$0	\$16	\$0	(\$27,449)	\$376,311	\$20,895,466	\$10,332,403	\$62,314,697	\$93,542,566
12	HVPS	4	1,181,793,931	1,181,793,931	\$563,694	\$0	\$135,324	\$503	\$0	\$2	\$0	(\$977)	\$14,021	\$712,567	\$7,403,025	\$58,095,808	\$66,211,400
13	AL	3	110,818	110,818	\$909	\$0	\$0	\$176	\$0	\$3	\$0	(\$1)	\$19	\$1,105	\$557	\$4,359	\$6,020
14	SE	1	23,430,081	23,430,081	\$1,352,771	\$0	\$0	\$0	\$0	\$1	\$0	(\$1,750)	\$23,447	\$1,374,469	\$45,573	\$915,276	\$2,335,318
15	SM	174	27,919,325	27,919,325	\$8,689,115	\$0	\$0	\$0	\$0	\$157	\$0	(\$11,359)	\$179,531	\$8,857,444	\$131,381	\$1,157,957	\$10,146,782
16	SH	13	939,914	939,914	\$104,316	\$0	\$0	\$0	\$0	\$12	\$0	(\$158)	\$2,094	\$106,263	\$4,074	\$33,182	\$143,520
17	UMS	5,494	21,090,650	21,090,650	\$992,217	\$0	\$0	\$0	\$0	\$4,948	\$0	(\$1,420)	\$16,163	\$1,011,908	\$159,520	\$1,253,627	\$2,425,255
18	PAL	811	2,977,577	2,977,577	\$418,897	\$0	\$0	\$0	\$0	\$730	\$0	(\$686)	\$9,780	\$427,721	\$15,029	\$111,627	\$554,377
19	<b>Total</b>	<b>591,234</b>	<b>12,683,242,772</b>	<b>12,683,242,772</b>	<b>\$445,727,755</b>	<b>(\$18,099,256)</b>	<b>\$12,434,145</b>	<b>\$34,662,751</b>	<b>\$494,094</b>	<b>\$368,287</b>	<b>\$32,026,755</b>	<b>(\$753,366)</b>	<b>\$9,107,049</b>	<b>\$515,968,214</b>	<b>\$153,054,076</b>	<b>\$677,345,917</b>	<b>\$1,346,368,207</b>
20	<b>Other Electric Revenue</b>																
21	Sales for Resale (Acct 447)																
22	Late Payment/Returned Check Charges (Acct 450)																
23	Reconnect Fees/PJM Office (Acct 451)																
24	Rent Electric Property (Acct 454)																
25	Other Revenue (Acct 456)																
26	Utility Operations (Acct 417)																
27	Transmission - EGS (Acct 456)																
28	Transmission - Wholesale (Acct 456)																
29	Transmission - Tax Norm																
30	<b>Subtotal Other Revenue</b>																
31	<b>Total Operating Revenue</b>																

**Duquesne Light Company**  
**Adjusted Historic Test Year Revenue at Present Rates**  
**12 Month Period Ended December 31, 2017 Assuming No Customer Shopping (i.e. 100% Default Service Load)**

A	B	C	D	E	F	G	H	I	J	K	L
Line	Rate Class	Distribution Present Rate Revenue	State Tax Adj Surcharge (STAS)	Distribution (Sum Col C - D)	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Distribution System Improvement Charge (DSIC)	Surcharge Adjusted Distribution (Sum Col E - H)	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Adjusted Present Rate Revenue
1	RS	\$222,623,896	(\$415,475)	\$222,208,421	\$28,763,924	\$343,546	\$4,863,338	\$256,179,228	\$63,121,440	\$208,177,254	\$527,477,922
2	RH	\$17,686,947	(\$31,632)	\$17,655,315	\$1,943,014	\$23,652	\$426,336	\$20,048,317	\$3,680,164	\$20,323,033	\$44,051,514
3	RA	\$2,122,882	(\$4,123)	\$2,118,760	\$282,718	\$3,447	\$55,419	\$2,460,343	\$895,535	\$3,243,780	\$6,599,657
4	GS	\$7,934,925	(\$13,084)	\$7,921,841	\$1,389,992	\$24,127	\$171,979	\$9,507,938	\$1,201,028	\$5,008,926	\$15,717,892
5	GM<25	\$20,687,253	(\$30,918)	\$20,656,335	\$1,295,796	\$19,239	\$404,589	\$22,375,959	\$7,123,774	\$23,761,019	\$53,260,751
6	GM>25	\$67,225,892	(\$99,619)	\$67,126,273	\$702,405	\$70,357	\$1,170,241	\$69,069,275	\$23,092,742	\$122,177,102	\$214,339,120
7	GMH<25	\$1,991,279	(\$3,513)	\$1,987,766	\$144,570	\$2,346	\$46,608	\$2,181,290	\$460,366	\$1,916,550	\$4,558,205
8	GMH>25	\$6,048,732	(\$9,510)	\$6,039,222	\$67,343	\$7,382	\$124,950	\$6,238,898	\$1,930,876	\$12,225,014	\$20,394,788
9	GL	\$59,109,985	(\$89,108)	\$59,020,876	\$61,214	\$0	\$1,056,379	\$60,138,470	\$29,203,387	\$136,778,359	\$226,120,215
10	GLH	\$7,980,839	(\$12,583)	\$7,968,256	\$7,448	\$0	\$166,845	\$8,142,548	\$4,253,202	\$19,848,148	\$32,243,898
11	L	\$20,193,207	(\$27,449)	\$20,165,758	\$3,649	\$0	\$376,311	\$20,545,718	\$10,332,403	\$62,314,697	\$93,192,818
12	HVPS	\$563,694	(\$977)	\$562,716	\$503	\$0	\$14,021	\$577,240	\$7,403,025	\$58,095,808	\$66,076,074
13	AL	\$909	(\$1)	\$907	\$176	\$0	\$19	\$1,102	\$557	\$4,359	\$6,017
14	SE	\$1,352,771	(\$1,750)	\$1,351,020	\$0	\$0	\$23,447	\$1,374,468	\$45,573	\$915,276	\$2,335,318
15	SM	\$8,689,115	(\$11,359)	\$8,677,756	\$0	\$0	\$179,531	\$8,857,287	\$131,381	\$1,157,957	\$10,146,625
16	SH	\$104,316	(\$158)	\$104,158	\$0	\$0	\$2,094	\$106,252	\$4,074	\$33,182	\$143,508
17	UMS	\$992,217	(\$1,420)	\$990,797	\$0	\$0	\$16,163	\$1,006,960	\$159,520	\$1,253,827	\$2,420,307
18	PAL	\$418,897	(\$686)	\$418,212	\$0	\$0	\$8,780	\$426,992	\$15,029	\$111,627	\$553,648
19	<b>Total</b>	<b>\$445,727,755</b>	<b>(\$753,366)</b>	<b>\$444,974,389</b>	<b>\$34,662,751</b>	<b>\$494,094</b>	<b>\$9,107,049</b>	<b>\$489,238,263</b>	<b>\$153,054,076</b>	<b>\$677,345,917</b>	<b>\$1,319,638,276</b>
20	<u>Other Electric Revenue</u>										
21	Sales for Resale (Acct 447)									\$1,433,230	\$1,433,230
22	Late Payment/Returned Check Charges (Acct 450)	\$3,901,088		\$3,901,088				\$3,901,088			\$3,901,088
23	Reconnect Fees/PJM Office (Acct 451)	\$696,346		\$696,346				\$696,346	\$738,968		\$1,435,314
23	Rent Electric Property (Acct 454)	\$10,533,215		\$10,533,215				\$10,533,215			\$10,533,215
24	Other Revenue (Acct 456)	\$461,949		\$461,949				\$461,949			\$461,949
25	Utility Operations (Acct 417)	\$0		\$0				\$0			\$0
26	Revenue Annualization	\$2,271,690		\$2,271,690				\$2,271,690			\$2,271,690
26	Revenue Loss Adjustment	(\$8,178,956)		(\$8,178,956)				(\$8,178,956)			(\$8,178,956)
27	Transmission - EGS (Acct 456)								\$0		\$0
28	Transmission - Wholesale (Acct 456)								\$6,316,360		\$6,316,360
29	Transmission - Tax Norm								\$313,087		\$313,087
29	<b>Subtotal Other Revenue</b>	<b>\$9,685,332</b>	<b>\$0</b>	<b>\$9,685,332</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,685,332</b>	<b>\$7,368,415</b>	<b>\$1,433,230</b>	<b>\$18,486,977</b>
30	<b>Total Operating Revenue</b>	<b>\$455,413,087</b>	<b>(\$753,366)</b>	<b>\$454,659,721</b>	<b>\$34,662,751</b>	<b>\$494,094</b>	<b>\$9,107,049</b>	<b>\$498,923,615</b>	<b>\$160,422,491</b>	<b>\$678,779,147</b>	<b>\$1,338,125,253</b>

**Duquesne Light Company**  
**Historic Test Year at Proposed Distribution Rates**  
**12 Month Period Ended December 31, 2017 Assuming No Customer Shopping (i.e. 100% Default Service Load)**

A	B	C	D	E	F	G	H	I	J
Line	Rate Class	Distribution Revenue at Proposed Rates	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Total Proposed Rate Revenue (Sum Col C - E)	Total Revenue Change	Total Percent Change	Distribution Revenue Change	Distribution Percent Change
1	RS	\$308,272,063	\$63,121,440	\$208,177,254	\$579,570,757	\$52,092,835	9 9%	\$52,092,835	20 3%
2	RH	\$24,272,684	\$3,680,164	\$20,323,033	\$48,275,881	\$4,224,367	9 6%	\$4,224,367	21 1%
3	RA	\$2,961,088	\$895,535	\$3,243,780	\$7,100,402	\$500,745	7 6%	\$500,745	20 4%
4	GS	\$11,121,668	\$1,201,028	\$5,008,926	\$17,331,622	\$1,613,730	10 3%	\$1,613,730	17 0%
5	GM<25	\$27,328,479	\$7,123,774	\$23,761,019	\$58,213,271	\$4,952,520	9 3%	\$4,952,520	22 1%
6	GM>25	\$79,415,601	\$23,092,742	\$122,177,102	\$224,685,445	\$10,346,326	4 8%	\$10,346,326	15 0%
7	GMH<25	\$2,618,041	\$460,366	\$1,916,550	\$4,994,956	\$436,751	9 6%	\$436,751	20 0%
8	GMH>25	\$7,826,189	\$1,930,876	\$12,225,014	\$21,982,079	\$1,587,291	7 8%	\$1,587,291	25 4%
9	GL	\$68,589,894	\$29,203,387	\$136,778,359	\$234,571,639	\$8,451,424	3 7%	\$8,451,424	14 1%
10	GLH	\$9,729,396	\$4,253,202	\$19,848,148	\$33,830,746	\$1,586,848	4 9%	\$1,586,848	19 5%
11	L	\$22,399,802	\$10,332,403	\$62,314,697	\$95,046,902	\$1,854,084	2 0%	\$1,854,084	9 0%
12	HVPS	\$956,043	\$7,403,025	\$58,095,808	\$66,454,877	\$378,803	0 6%	\$378,803	65 6%
13	AL	\$1,087	\$557	\$4,359	\$6,003	(\$15)	-0 2%	(\$15)	-1 3%
14	SE	\$1,413,911	\$45,573	\$915,276	\$2,374,760	\$39,443	1 7%	\$39,443	2 9%
15	SM	\$9,109,293	\$131,381	\$1,157,957	\$10,398,631	\$252,006	2 5%	\$252,006	2 8%
16	SH	\$109,362	\$4,074	\$33,182	\$146,618	\$3,110	2 2%	\$3,110	2 9%
17	UMS	\$929,714	\$159,520	\$1,253,827	\$2,343,061	(\$77,246)	-3 2%	(\$77,246)	-7 7%
18	PAL	\$439,109	\$15,029	\$111,627	\$565,765	\$12,118	2 2%	\$12,118	2 8%
19	<b>Total</b>	<b>\$577,493,423</b>	<b>\$153,054,076</b>	<b>\$677,345,917</b>	<b>\$1,407,893,416</b>	<b>\$88,255,141</b>	<b>6 7%</b>	<b>\$88,255,141</b>	<b>18 0%</b>
20	<u>Other Electric Revenue</u>								
21	Sales for Resale (Acct 447)			\$1,433,230	\$1,433,230	\$0		\$0	
22	Late Payment/Returned Check Charges (Acct 450)	\$3,901,088			\$3,901,088	\$0		\$0	
23	Reconnect Fees/PJM Office (Acct 451)	\$696,346	\$738,968		\$1,435,314	\$0		\$0	
24	Rent Electric Property (Acct 454)	\$10,533,215			\$10,533,215	\$0		\$0	
25	Other Revenue (Acct. 456)	\$461,949			\$461,949	\$0		\$0	
26	Utility Operations (Acct 417)	\$0			\$0	\$0		\$0	
27	Revenue Annualization	\$2,271,690			\$2,271,690	\$0		\$0	
28	Revenue Loss Adjustment	(\$8,178,956)			(\$8,178,956)	\$0		\$0	
29	Transmission - EGS (Acct 456)		\$0		\$0	\$0		\$0	
30	Transmission - Wholesale (Acct. 456)		\$6,316,360		\$6,316,360	\$0		\$0	
31	Transmission - Tax Norm		\$313,087		\$313,087	\$0		\$0	
32	<b>Subtotal Other Revenue</b>	<b>\$9,685,332</b>	<b>\$7,055,328</b>	<b>\$1,433,230</b>	<b>\$18,173,890</b>	<b>\$0</b>		<b>\$0</b>	
33	<b>Total Operating Revenue</b>	<b>\$587,178,756</b>	<b>\$160,109,404</b>	<b>\$678,779,147</b>	<b>\$1,426,067,307</b>	<b>\$88,255,141</b>	<b>6 6%</b>	<b>\$88,255,141</b>	<b>17 7%</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule D-6A**  
**Witness: O'Brien**  
**Page 1 of 2**

**Remove Surcharge Revenue Related Expenses**

Line #	Description	[ 1 ] Reference Or Account Number	[ 2 ] Consumer Education	[ 3 ] Universal Service	[ 4 ]	[ 5 ] EECDR Surcharge	[ 6 ] Other	[ 7 ]	[ 8 ] Total Cost Element Update Adjustment Sum [ 2 ] to [ 7 ]
<b><u>COST ELEMENT</u></b>									
1	Straight-Time Labor	10				412	\$ -		\$ 412
2	Building Rents	14				-	-		-
3	Incentive Compensation	15				7	-		7
4	Materials Purchased	23		1		2	-		3
5	Employee Expenses	51				17	-		17
6	Surcharge Revenue Offset	53	455	30,137		12,463	-		43,055
7	Hardware/Software Maintenance	58				-	-		-
8	Professional Services	59		2,987		16,671	-		19,658
9	Uncollectible Accounts	65		4,982		-	-		4,982
10	Business Meals	75 / 76				-	-		-
11	TOTAL	Sum L 1 to L 10	455	38,107	-	29,572	-		68,134
12	Deferred Costs	66		(26,068)		(17,108)	-		(43,176)
13	Difference	L 11 + L 12	<u>\$ 455</u>	<u>\$ 12,039</u>	<u>\$ -</u>	<u>\$ 12,464</u>	<u>\$ -</u>		<u>\$ 24,958</u>
<b><u>FERC ACCOUNTS</u></b>									
14	Customer Records & Collection Expense	903							\$ 24,712
15	Customer Assistance	908							-
16	Administrative and General Salaries	920							18
17	Office Supplies and Expense	921							205
18	Outside Services Employed	923							23
19	Miscellaneous General Expense	930							-
20	TOTAL								<u>\$ 24,958</u>



**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**Schedule D-6A**  
**Witness: O'Brien**  
Page 2 of 2

**Update Purchased Energy Expenses**

Line #	Description	[ 1 ] Rate	[ 2 ] Amount	[ 3 ] Recorded	[ 4 ] Revenue Update	[ 5 ] Adjustment
1	Generation Revenue			\$ 223,694	\$ 223,694	
2	Gross Receipts Tax	5.90%		13,198	13,198	
3	Revenue To Generation Expense	L 1 - L 2		210,496	210,496	
4	CWC Allowance		\$ 9,616			
5	Pre Tax ROR		<u>0.106</u>			
6	CWC Revenue Allowance	L 4 * L 5			<u>1,019</u>	
7	Base Generation Expense	L 3 - L 6		210,496	209,477	
8	Sales For Resale			1,433	1,433	
9	Generation Expense	L 7 + L 8		<u>\$ 211,929</u>	<u>\$ 210,910</u>	
10	Adjustment for Generation Revenue					<u>\$ (1,019)</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**SCHEDULE D-7**  
**Witness: O'Brien**  
PAGE 1 of 2

**ADJUSTMENT---SALARY & WAGES**  
**Adjustment # 7**

Line #	Description	[ 1 ] Account Number	[ 2 ] Recorded Year Ended 12/31/17	[ 3 ] Redistribute General Categories	[ 4 ] Payroll As Distributed	[ 5 ] Total Pro Forma Payroll	[ 6 ] Adjustment
<b>OPERATIONS</b>							
1	Production	500-509	\$ -		\$ -	\$ -	\$ -
2	Generation	546-550	-		-	-	-
3	Transmission	560-567	4,202		4,202	82	4,284
4	Distribution	580-589	10,616		10,616	208	10,823
5	Customer Accounts	901-905	11,767		11,767	230	11,997
6	Customer service and information	907-910	31		31	1	32
7	Sales	911-916	-		-	-	-
8	Administration and general	920-931	26,416		26,416	517	26,933
9	Total Operations	Sum L 1 to L 8	53,032	-	53,032	1,037	54,069
<b>MAINTENANCE</b>							
10	Production	510-514	-		-	-	-
11	Generation	551-557	-		-	-	-
12	Transmission	568-573	2,168		2,168	42	2,210
13	Distribution	590-598	11,478		11,478	224	11,702
14	Administration and general	935	3,327		3,327	65	3,392
15	Total Maintenance	Sum L 10 to L 14	16,973	-	16,973	332	17,305
16	Total Direct Payroll	L 9 + L 15	70,005	-	70,005	\$ 1,369	\$ 71,374
17	Percent Increase	L 16, C 5 / C 4					1 956%
<b>OTHER</b>							
18	Construction	107	-		-	-	-
19	Plant removal	108	-		-	-	-
20	Stores Accounts	163	-		-	-	-
21	Accrued Utility Revenue	173	-		-	-	-
22	Misc Current & Accrued Assets	174	-		-	-	-
23	Deferred Debits	186	-		-	-	-
24	Misc Current & Accrued Liabilities	242	-		-	-	-
25	Donations	426	-		-	-	-
26	Total To "Cleaning"		-		-	-	-
27	TOTAL PAYROLL	Sum L 18 to L 26	\$ 70,005	\$ -	\$ 70,005	1 956%	\$ 71,374

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**SCHEDULE D-7**  
**Witness: O'Brien**  
PAGE 2 of 2

**ADJUSTMENT---SALARY & WAGES**  
**Adjustment # 7**

Line #	Description	[ 1 ] Reference Or Function	[ 2 ] Union	[ 3 ] Non-Union	[ 4 ] Annualized Amounts	[ 5 ] Amount	[ 6 ] Amount	[ 7 ] Pro Forma Total Payroll
1	O&M Overtime PR Expense for HTY	52 / 48	\$ 33,118	\$ 30,570	\$ 63,688			
2	S&W Charged Below the Line	80 / 20	<u>5,054</u>	<u>1,263</u>	<u>6,317</u>			
3	Total O&M PR Expense	L 1 + L 2 + L 3	<u>38,171</u>	<u>31,834</u>	<u>70,005</u>			
4	Pro Forma Rate Increase 10/1/17		2 00%					
5	Pro Forma Rate Increase 1/1/18			2 50%				
6	Number of Months for Annualization		<u>9</u>	<u>12</u>				
7	Pro Forma During HTY	L4*(L5 or 6)*L7/12	\$ 573	\$ 796	1,369			
8	Pro Forma Rate Increase 10/1/18		0.00%					
9	Number of Months		<u>0</u>					
10	Annualization Adjustment	(L4+L8)*L9*L10/12	<u>\$ -</u>		-			
11	Total Pro Forma - Existing Employees	[ 4 ] L 4 + L 8 + L 11					\$ 71,374	
<b><u>Pro Forma For New Employees</u></b>								
12	Changes to Employee Numbers		-					
13	Changes to Employee Numbers			-				
14	Total New Employees	L 13 + L 14			\$ -			
15	Increase for Overtime	L 2 / L 1 * L 15	<u>-</u>	<u>-</u>				
16	Sub-Total -- Total Pay at Present Rates	Sum L 13 to L 16	-	-				
17	Increase for Pay Rates	L 5 or L 6 * L 17	<u>-</u>	<u>-</u>				
18	Pro Forma Increase for Change in Employees	L 17 + L 18	-	-			-	
19	Total Pro Forma Payroll	L 8 + L 19	<u>\$ 573</u>	<u>\$ 796</u>			\$ 71,374	
20	Total O&M PR Expense	[ 3 ] L 4					<u>70,005</u>	
21	Payroll Increase	[ 6 ] L 20 - L 21						<u>\$ 1,369</u>
22	Percent Increase	L 22 / L 21						<u>1 956%</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**SCHEDULE D-8**  
**Witness: O'Brien**  
 PAGE 1 of 1

**ADJUSTMENT---RATE CASE EXPENSE**  
 Adjustment # 8

Line #	Description	[ 1 ] Reference	[ 2 ] Amount	[ 3 ] Amount	[ 4 ] Sub-Total	[ 5 ] Total
<b><u>RATE CASE FOR NORMALIZATION</u></b>						
<b><u>EXPENDITURES TO 12-31-17</u></b>						
1	Expended Recorded in 2017		\$ 182			
2	Estimated Worked by not billed at 12-31-17		100			
3	Total Through 12-31-17	L 1 + L 2		282		
<b><u>EXPENDITURES DURING FTY Ended 12-31-18</u></b>						
4	Estimated Expenditures		1,690			
5	Sub-Total	Line 4		1,690		
<b><u>TOTAL EXPENDITURES FOR RATE FILING</u></b>						
6	Total Rate Case	L 3 + L 5			<u>\$ 1,972</u>	
7	Normalization Period [ A ]	Years	<u>3</u>			
8	Normalization Expense per Year	L 6 / L 7				\$ 657
9	Expense included in HTY Results					890
10	Normalization Adjustment	L 8 - L 9				<u>\$ (233)</u>

[ A ] Time between rate cases - Next Case planned for April 2021 with rates effective 1-1-22

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**SCHEDULE D-9**  
**Witness: O'Brien**  
PAGE 1 of 2

**ADJUSTMENT---EMPLOYEE BENEFITS AND PENSION**  
Adjustment # 9

Line #	Description	[ 1 ] Reference	[ 2 ] Pension Contribution Payments To Capital	[ 3 ] Pension Contribution Payments To Expense	[ 4 ] Amount	[ 5 ] Total
<b><u>PENSION COSTS</u></b>						
1	Contribution - Year Ended 12/31/17		\$ 105,000			
2	Contribution - Year Ended 12/31/18		23,000			
3	Contribution - Year Ended 12/31/19		10,000			
4	Total	L 1 to L 3	<u>\$ 138,000</u>			
5	Number of Years for FPFTY Average	<u>3</u>				
6	Average for HTY		<u>\$ 46,000</u>			
7	Pension Capitalization / Expense Factor			<u>50.0%</u>	<u>50.0%</u>	
8	Pension Payment To Be Capitalized	L 1 * L 7		\$ 52,500		
9	Pension Payment To Be Expensed	L 6 * L 7			\$ 23,000	
10	FAS 87 Pension in HTY Capital Additions			10,000		
11	FAS 87 Pension Expense in HTY				18,606	
12	Pension Adjustment to Rate Base	L 8 - L 10		<u>\$ 42,500</u>		
13	Pro Forma Pension Adjustment	L 9 - L 11				<u>\$ 4,394</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
(\$ in Thousands)

**SCHEDULE D-10**  
**Witness: O'Brien**  
PAGE 1 of 1

**ADJUSTMENT---UNCOLLECTIBLE ACCOUNTS**  
Adjustment # 10

Line #	Description	[ 1 ] Reference	[ 2 ] Non-CAP Net Write-Offs	[ 3 ] Tariff Revenue	[ 4 ] Percent [ 2 ]/[ 3 ]	[ 5 ] Total [ 2 ]/[ 3 ]
1	2008		<u>\$ 7,854</u>	<u>\$ 690,361</u>	<u>1.14%</u>	
2	2009		<u>\$ 8,324</u>	<u>\$ 745,150</u>	<u>1.12%</u>	
3	2010		<u>\$ 11,683</u>	<u>\$ 829,479</u>	<u>1.41%</u>	
4	2011		<u>\$ 8,242</u>	<u>\$ 827,774</u>	<u>1.00%</u>	
5	2012		<u>\$ 12,903</u>	<u>\$ 819,958</u>	<u>1.57%</u>	
6	Five Year Average Sum (L 1 to L 5) / 5	<u>5</u>	<u>\$ 9,801</u>	<u>\$ 782,544</u>		<u>1.250%</u>
<b><u>Pro Forma Adjustment</u></b>			<b><u>Pro Forma Revenue</u></b>	<b><u>Percent Net Write-Offs</u></b>		
7	Pro Forma Revenue		<u>\$ 858,774</u>			
8	Pro Forma Rate			<u>1.250%</u>		
9	Pro Forma Net Write-Off Expense	L 7 * L 8				10,735
10	Uncollectible Expense For HTY					5,616
11	Pro Forma Adjustment	L 9 - L 10				<u>5,119</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**SCHEDULE D-11**  
**Witness: O'Brien**  
 PAGE 1 of 1

**Capitalized Cloud Expenditures**  
 Adjustment # 11

		[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]
		Plant In Service			Depreciation		
Line #	Year	Expenditures	Closed to Plant	Total Plant	Depreciation Expense	Accumulated Depreciation	Net Plant
1	2014	\$ -	\$ -				
2	2015	-	-				
3	2016	723	-				
4	2017	1,656	884	\$ 884	\$ 88	\$ 88	\$ 796
5	2018	1,757	2,271	3,155	404	492	2,663
6	2019	1,041	2,022	5,177	833	1,325	3,852
7	Total	\$ 5,177	\$ 5,177			\$ 1,325	\$ 3,852
8	Annualized Depreciation Expense		\$ 5,177	5	\$ 1,035		

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
Historic Test Year - 12 Months Ended December 31, 2017  
(\$ in Thousands)

Schedule **D-16**  
Witness: **Simpson/O'Brien**  
Page 1 of 2

**Taxes Other Than Income Taxes**

Line #	Description	[ 1 ] Account Number	[ 2 ] Recorded 2017	[ 3 ] Budget Amounts HTY	[ 4 ] Pro Forma Adjustments	[ 5 ] Pro Forma Tax Expense HTY
1	PURTA Taxes	408 1	\$ 912	\$ 912	\$ -	\$ 912
2	Capital Stock		-	-		-
3	Miscellaneous		(533)	(533)		(533)
4	Social Security	408 3	5,339	5,339	107	5,446
5	FUTA	408.2	33	33	1	34
6	SUTA	408 4	260	260	14	274
7	Gross Receipts		46,526	46,526	(831)	45,695
8	Real Estate Taxes		527	527		527
9	City of Pittsburgh Payroll Tax		329	329	-	329
10	Total	Sum L 1 to L 10	<u>\$ 53,393</u>	<u>\$ 53,393</u>	<u>\$ (709)</u>	<u>\$ 52,684</u>

**GROSS RECEIPT TAX PRO FORMA AT PRESENT RATES**

11	Revenue From Sales to Customers		\$ 806,464
12	Uncollectibles		(5,616)
13	Surcharge Related		(26,362)
			-
1	Net Taxable	Sum L 12 to L 15	774,486
2	Tax Rate		5.90%
			-----
3	Gross Receipts Taxes at Present Rates	L 16 * L 17	45,695
4	Budget Amount		46,526
			-----
5	Adjustment	L 18 - L 19	<u>\$ (831)</u>



**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule D-16**  
**Witness: O'Brien**  
**Page 2 of 2**

**Taxes Other Than Income Taxes**

Line #	Description	[ 1 ] Account Number	[ 2 ]	[ 3 ] HTY	[ 4 ] S&W Adjustment	[ 5 ] Increase in Payroll Taxes
1	Total Payroll Charged to Expense			<u>\$ 45,871</u>	<u>\$ 1,369</u>	
2	FICA Expense			<u>\$ 3,592</u>		
3	FICA Expense - Percent	L 2 / L 1		<u>7.83%</u>	<u>7.83%</u>	
4	Pro Forma FICA Expense on Pro Forma S&W	[ 4 ] L 1 * L 3				\$ 107
5	FUTA Expense			<u>\$ 45</u>		
6	FUTA Expense - Percent	L 5 / L 1		<u>0.10%</u>	<u>0.10%</u>	
7	Pro Forma FUTA Expense on Pro Forma S&W	[ 4 ] L 1 * L 6				1
8	SUTA Expense			<u>\$ 463</u>		
9	SUTA Expense - Percent	L 8 / L 1		<u>1.01%</u>	<u>1.01%</u>	
10	Pro Forma SUTA Expense on Pro Forma S&W	[ 4 ] L 1 * L 9				14
11	City of Pittsburgh Payroll Tax Expense			<u>\$ -</u>		
12	SUI Expense - Percent	L 11 / L 1		<u>0.00%</u>	<u>0.00%</u>	
13	Pro Forma SUI Expense on Pro Forma S&W	[ 4 ] L 1 * L 12				-
14	Pro Forma Adjustment	Sum L 4 to L 13				<u>\$ 122</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule D-17**  
**Witness: O'Brien**  
Page of 3

**Depreciation and Annualization Expense Adjustment**

Line #	Description	Account Number	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]	[ 7 ]
			Current Depreciation Rate	Plant Balance At		Depreciation Expense			
				12/31/16	12/31/17	Other	For Year	Annualized	
<b>INTANGIBLE PLANT</b>									
1	Organization	301			\$ 101	\$ 100	\$ -	\$ -	\$ -
2	Franchise & Consent	302			7	7	-	-	-
3	Miscellaneous Intangible Plant	303			191,863	262,898	-	33,749	35,105
4	TOTAL INTANGIBLE	Sum L 1 to L 3			191,971	263,005	-	33,749	35,105
<b>TRANSMISSION PLANT</b>									
5	Land & Land Rights	360			14,404	14,000	-	-	-
6	Structures & Improvements	352			24,555	29,526	-	746	913
7	Station Equipment	353			381,521	396,213	-	14,605	13,075
8	Towers and Fixtures	354			67,417	65,195	-	995	821
9	Poles and Fixtures	355			51,365	51,420	-	1,187	1,121
10	Overhead Conductors & Devices	356			93,886	105,014	-	1,874	1,754
11	Underground Conduit	357			79,045	81,773	-	1,426	1,472
12	Underground Conductors & Devices	358			145,588	146,906	-	2,594	2,850
13	Road and Trails	359			9,215	9,215	-	162	162
14	Regional Trans - Computer Hardware	382			2,723	-	-	137	-
15	Regional Trans - Computer Software	383			10,225	-	-	643	-
	Meter Communications Equipment	370 1			-	-	-	-	-
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15			879,944	899,262	-	24,369	22,168
<b>DISTRIBUTION PLANT</b>									
17	Land & Land Rights	360			13,038	13,298	-	-	-
18	Structures & Improvements	361			64,954	66,949	-	1,548	1,445
19	Station Equipment	362			437,321	454,902	-	11,743	10,579
20	Storage Battery Equipment	363			-	-	-	-	-
21	Poles, Towers and Fixtures	364			427,210	440,584	-	10,362	9,120
22	Overhead Conductors and Devices	365			438,385	470,559	-	11,316	12,187
23	Underground Conduit	366			141,681	147,123	-	1,960	2,045
24	Underground Conductors and Devices	367			356,958	383,050	-	9,013	9,844
25	Line Transformers	368			374,429	385,605	-	12,379	11,961
26	Services	369			94,596	96,663	-	2,450	1,605
27	Meters	370			56,012	121,682	-	8,904	12,828
28	Meter Communications Equipment	370 1			-	-	-	-	-
29	Leased Property On Customers Premises	372			-	-	-	-	-
30	Street Lighting and Signaling Systems	373			40,504	41,296	-	1,024	1,032
31	Asset Retirement Cost for Dist Plant	374			-	-	-	-	-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L31			2,445,088	2,621,711	-	70,699	72,646
<b>GENERAL PLANT</b>									
33	Land & Land Rights	389			6,145	6,145	-	-	-
34	Structures & Improvements	390			112,410	117,846	-	4,097	3,633
35	Leasehold Improvements	0			10,096	11,740	-	488	488
36	Office furniture	391 1			19,208	22,567	-	2,324	3,774
37	Office equipment	391 2			-	-	-	-	-
38	Transportation equipment	392			58,803	58,848	-	3,683	4,551
39	Store equipment	393			2,197	2,182	-	34	73
40	Tools, shop and garage equipment	394			20,361	20,964	-	846	839
41	Laboratory equipment	395			3,019	2,407	-	(48)	120
42	Power operated equipment	396			3,477	3,845	-	139	155
43	Electric communications equipment	397			65,017	81,504	-	4,488	5,436
44	Miscellaneous equipment	398			370	370	-	6	19
45	Asset Retirement Cost for General Plant	399			-	-	-	-	-
46	TOTAL GENERAL	Sum L 33 to L45			301,103	328,418	-	16,057	19,088
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)	0			3,818,106	4,112,396	-	144,874	149,007
48	AMI - 303	0			50,727	-	-	-	-
49	AMI - 370	0			51,431	-	-	-	-
50	AMI - 397	0			16,042	-	-	-	-
51	TOTAL PLANT IN SERVICE	L 47 to L 50			\$ 3,920,264	\$ 4,112,396	\$ -	\$ 144,874	\$ 149,007

Exhibit 4 HTY As Filed 3-28-18

D\_17\_p1 (A1 AJ95)

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Depreciation and Annualization Expense Adjustment**

Line #	Description	[ 1 ] Account Number	[ 2 ] Current Depreciation Rate	[ 3 ]			[ 4 ]		[ 5 ]		[ 6 ]		[ 7 ]	
				Plant Balance At			Depreciation Expense		For Year		Annualized			
				12/31/16	12/31/17	Other								
<b>INTANGIBLE PLANT</b>														
1	Organization	301		\$ -	\$ -	\$ -	\$ -	\$ -						
2	Franchise & Consent	302		-	-	-	-	-						
3	Miscellaneous Intangible Plant	303		-	-	-	-	-						
4	TOTAL INTANGIBLE	Sum L 1 to L 3		-	-	-	-	-						
<b>TRANSMISSION PLANT</b>														
5	Land & Land Rights	350		-	-	-	-	-						
6	Structures & Improvements	352		-	-	-	-	8						8
7	Station Equipment	353		-	-	-	-	1,243						1,243
8	Towers and Fixtures	354		-	-	-	-	234						234
9	Poles and Fixtures	355		-	-	-	-	18						18
10	Overhead Conductors & Devices	356		-	-	-	-	286						286
11	Underground Conduit	357		-	-	-	-	(46)						(46)
12	Underground Conductors & Devices	358		-	-	-	-	(232)						(232)
13	Road and Trails	359		-	-	-	-	-						-
14	Regional Trans - Computer Hardware	382		-	-	-	-	-						-
15	Regional Trans - Computer Software	0		-	-	-	-	-						-
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15		-	-	-	-	1,511						1,511
<b>DISTRIBUTION PLANT</b>														
17	Land & Land Rights	360		-	-	-	-	-						-
18	Structures & Improvements	361		-	-	-	-	58						58
19	Station Equipment	362		-	-	-	-	749						749
20	Storage Battery Equipment	363		-	-	-	-	-						-
21	Poles, Towers and Fixtures	364		-	-	-	-	2,011						2,011
22	Overhead Conductors and Devices	365		-	-	-	-	(422)						(422)
23	Underground Conduit	366		-	-	-	-	96						96
24	Underground Conductors and Devices	367		-	-	-	-	(101)						(101)
25	Line Transformers	368		-	-	-	-	432						432
26	Services	369		-	-	-	-	1,813						1,813
27	Meters	370		-	-	-	-	37						37
28	Meter Communications Equipment	370 1		-	-	-	-	-						-
29	Leased Property On Customers Premises	372		-	-	-	-	-						-
30	Street Lighting and Signaling Systems	373		-	-	-	-	80						80
31	Asset Retirement Cost for Dist Plant	374		-	-	-	-	-						-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L31		-	-	-	-	4,753						4,753
<b>GENERAL PLANT</b>														
33	Land & Land Rights	389		-	-	-	-	-						-
34	Structures & Improvements	390		-	-	-	-	308						308
35	Leasehold Improvements	0		-	-	-	-	-						-
36	Office furniture	391 1		-	-	-	-	-						-
37	Office equipment	391 2		-	-	-	-	-						-
38	Transportation equipment	392		-	-	-	-	(267)						(267)
39	Store equipment	393		-	-	-	-	-						-
40	Tools, shop and garage equipment	394		-	-	-	-	-						-
41	Laboratory equipment	395		-	-	-	-	-						-
42	Power operated equipment	396		-	-	-	-	-						-
43	Electric communications equipment	397		-	-	-	-	1						1
44	Miscellaneous equipment	398		-	-	-	-	-						-
45	Asset Retirement Cost for General Plant	399		-	-	-	-	-						-
46	TOTAL GENERAL	Sum L 33 to L45		-	-	-	-	42						42
47	SUB-TOTAL	0		-	-	-	-	6,306						6,306
	(L 4 + L 16 + L 32 L 46)	0		-	-	-	-	-						-
48	AMI - 303	0		-	-	-	-	-						-
49	AMI - 370			-	-	-	-	-						-
50	AMI - 397			-	-	-	-	-						-
51	TOTAL PLANT IN SERVICE	L 47 to L 50		\$ -	\$ -	\$ -	\$ -	\$ 6,306						\$ 6,306

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Depreciation and Annualization Expense Adjustment**

Line #	Description	[ 1 ] Account Number	[ 2 ] Current Depreciation Rate	[ 3 ]		[ 4 ]	[ 5 ]	[ 6 ]	[ 16 ]
				Plant Balance At		Other	Depreciation Expense		
				12/31/16	12/31/17		For Year	Annualized	
<b>INTANGIBLE PLANT</b>									
1	Organization	301		\$ 101	\$ 100	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302		7	7	-	-	-	-
3	Miscellaneous Intangible Plant	303		191,863	262,898	-	33,749	35,105	
4	TOTAL INTANGIBLE	Sum L 1 to L 3		191,971	263,005	-	33,749	35,105	
<b>TRANSMISSION PLANT</b>									
5	Land & Land Rights	350		14,404	14,000	-	-	-	-
6	Structures & Improvements	352		24,555	29,526	-	754	921	
7	Station Equipment	353		381,521	396,213	-	15,848	14,318	
8	Towers and Fixtures	354		67,417	65,195	-	1,229	1,055	
9	Poles and Fixtures	355		51,365	51,420	-	1,205	1,139	
10	Overhead Conductors & Devices	356		93,886	105,014	-	2,160	2,040	
11	Underground Conduit	357		79,045	81,773	-	1,380	1,426	
12	Underground Conductors & Devices	358		145,588	146,906	-	2,362	2,618	
13	Road and Trails	359		9,215	9,215	-	162	162	
14	Regional Trans - Computer Hardware	382		2,723	-	-	137	-	
15	Regional Trans - Computer Software	0		10,225	-	-	643	-	
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15		879,944	899,262	-	25,880	23,679	
<b>DISTRIBUTION PLANT</b>									
17	Land & Land Rights	360		13,038	13,298	-	-	-	-
18	Structures & Improvements	361		64,954	66,949	-	1,606	1,503	
19	Station Equipment	362		437,321	454,902	-	12,492	11,328	
20	Storage Battery Equipment	363		-	-	-	-	-	-
21	Poles, Towers and Fixtures	364		427,210	440,584	-	12,373	11,131	
22	Overhead Conductors and Devices	365		438,385	470,559	-	10,894	11,765	
23	Underground Conduit	366		141,681	147,123	-	2,056	2,141	
24	Underground Conductors and Devices	367		356,958	383,050	-	8,912	9,743	
25	Line Transformers	368		374,429	385,605	-	12,811	12,393	
26	Services	369		94,596	96,663	-	4,263	3,418	
27	Meters	370		56,012	121,682	-	8,941	12,865	
28	Meter Communications Equipment	370 1		-	-	-	-	-	-
29	Leased Property On Customers Premises	372		-	-	-	-	-	-
30	Street Lighting and Signaling Systems	373		40,504	41,296	-	1,104	1,112	
31	Asset Retirement Cost for Dist Plant	374		-	-	-	-	-	-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L31		2,445,088	2,621,711	-	75,452	77,399	
<b>GENERAL PLANT</b>									
33	Land & Land Rights	389		6,145	6,145	-	-	-	-
34	Structures & Improvements	390		112,410	117,846	-	4,405	3,941	
35	Leasehold Improvements	0		10,096	11,740	-	488	488	
36	Office furniture	391 1		19,208	22,567	-	2,324	3,774	
37	Office equipment	391 2		-	-	-	-	-	-
38	Transportation equipment	392		58,803	58,848	-	3,416	4,284	
39	Store equipment	393		2,197	2,182	-	34	73	
40	Tools, shop and garage equipment	394		20,361	20,964	-	846	839	
41	Laboratory equipment	395		3,019	2,407	-	(48)	120	
42	Power operated equipment	396		3,477	3,845	-	139	155	
43	Electric communications equipment	397		65,017	81,504	-	4,489	5,437	
44	Miscellaneous equipment	398		370	370	-	6	19	
45	Asset Retirement Cost for General Plant	399		-	-	-	-	-	-
46	TOTAL GENERAL	Sum L 33 to L45		301,103	328,418	-	16,099	19,130	
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)	0		3,818,106	4,112,396	-	151,180	155,313	
48	AMI - 303	0		50,727	-	-	-	-	
49	AMI - 370	0		51,431	-	-	-	-	
50	AMI - 397	0		16,042	-	-	-	-	
51	TOTAL PLANT IN SERVICE	L 47 to L 50		\$ 3,936,306	\$ 4,112,396	\$ -	\$ 151,180	\$ 155,313	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**

**Schedule D-18**  
**Witness: Simpson/O'Brien**  
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(\$ in Thousands)

**Income Tax Expense at Present Rates - Total Company**

Line #	Description	[1]	[2]	[3] Total Company At Present Rates		[5]	[6]	[7]	[8]	[9]
		Factor Or Reference	Rate or Amount	Forecast Amounts	Pro Forma Adjustments	Pro Forma FTY	Amounts	PA Jurisdictional for FPFTY Pro Forma Present rates	Proposed Rate Adjustments	Pro Forma Proposed Rates
						[3] + [4]				
							[7] + [8]			
1	Revenue			\$ 909,663	\$ (33,125)	\$ 876,538		\$ 498,435	\$ 73,416	\$ 571,851
2	Operating Expenses			(648,569)	12,236	(636,333)		(348,794)	(5,356)	(354,151)
3	OIBIT	L 1 + L 2		261,094	(20,889)	240,205		149,641	68,059	217,700
<b>Interest Expense</b>										
4	Rate Base		2,292,465				1,695,983			
5	Weighted Cost of Debt		0.02090				0.02090			
6	Synchronized Interest Expense	L 4 * L 5		(47,913)	-	(47,913)		(35,446)	-	(35,446)
7	Base Taxable Income	L 3 + L 6		213,181	(20,889)	192,292		114,195	68,059	182,254
<b>State Property Basis Adjustments</b>										
8	Tax Basis Repairs Net of Losses			\$ (51,355)		(51,355)		(49,916)		(49,916)
9	Sec 263A Deductions			23,728		23,728		20,038		20,038
10	Open			-		-		-		-
11	Cost of Removal and Salvage			(6,205)		(6,205)		(4,951)		(4,951)
12	Cost of Removal and Salvage -Amort			5,706		5,706		4,168		4,168
13	Total State Property Basis Adj	Sum L 8 to L 12		(28,126)	-	(28,126)		(30,661)	-	(30,661)
14	Pro Forma Book Depreciation		\$ 150,042				\$ 124,336			
15	State Tax Depreciation		(203,340)				157,981			
16	State Tax Depre (Over) Under Book	L 14 - L 15		(53,298)	-	(53,298)		(33,645)	-	(33,645)
17	State Taxable Income	L 7 + L 13 + L 16		\$ 131,757	\$ (20,889)	\$ 110,868		\$ 49,889	\$ 68,059	\$ 117,948
<b>Federal Property Basis Adjustments</b>										
18	State Income Tax	L 17 * Rate [2]	9.99%	\$ (13,163)	\$ 2,087	\$ (11,076)	9.99%	\$ (4,984)	\$ (6,799)	\$ (11,783)
19	Tax Basis Repairs Net of Losses			\$ (51,355)		(51,355)		(49,916)		(49,916)
20	Sec 263A Deductions			23,728		23,728		20,038		20,038
21	Open			-		-		-		-
22	Cost of Removal and Salvage			(6,205)		(6,205)		(4,951)		(4,951)
23	Cost of Removal and Salvage -Amort			5,706		5,706		4,168		4,168
24	Total Federal Property Basis Adj	Sum L 19 to L 23		(28,126)	-	(28,126)		(30,661)	-	(30,661)
25	Pro Forma Book Depreciation		\$ 150,042				\$ 124,336			
26	Federal Tax Depre		(206,777)				166,213			
27	Federal Tax Depre (Over) Under Book	L 25 - L 26		(56,735)	-	(56,735)		(41,877)	-	(41,877)
28	Federal Taxable Income	L 17 + L 18 + L 24 + L 27		115,157	(18,802)	96,355		36,673	61,260	97,933
29	Current Federal Income Tax Expense	L 28 * Rate [2]	35.00%	(40,305)	6,581	(33,724)	35.00%	(12,836)	(21,441)	(34,277)
30	Tax Expense before Deferred Taxes	L 18 + L 29		(53,468)	8,668	(44,800)		(17,820)	(28,240)	(46,060)
<b>Deferred Federal Income Taxes</b>										
31	Normalized Basis Adjustments			(1,904)		(1,904)		(2,364)		(2,364)
32	Method Life Differences			(35,908)		(35,908)		(32,738)		(32,738)
33	Deferred Federal Income Tax	L 31 + L 32		(37,812)	-	(37,812)		(35,102)	-	(35,102)
34	Total Federal Income Tax Expense	L 29 + L 33		(78,117)	6,581	(71,536)		(47,938)	(21,441)	(69,379)
35	Combined Income Tax Expense	Sum L 18 to L 34		\$ (91,280)	\$ 8,668	\$ (82,612)		\$ (52,922)	\$ (28,240)	\$ (81,162)
36	State Income Tax Expense	L 18		\$ 13,163	\$ (2,087)	\$ 11,076		\$ 4,984	\$ 6,799	\$ 11,783
37	Federal Income Tax Expense	L 34		78,117	(6,581)	71,536		47,938	21,441	69,379
38	Total Income Tax Expense	L 36 + L 37		\$ 91,280	\$ (8,668)	\$ 82,612		\$ 52,922	\$ 28,240	\$ 81,162

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**

**Schedule D-18**  
**Witness: Simpson/O'Brien**  
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(\$ in Thousands)

**TAX DEPRECIATION**

Line #	Description	[ 1 ] Factor or Reference	[ 2 ]	[ 3 ]	[ 4 ] Total HTY 12/31/17	[ 5 ]	[ 5 ] Distribution Only	
<b>FEDERAL &amp; STATE - Tax Basis Repairs Net of Losses</b>								
1	---Transmission Plant			\$ (1,439)				
2	---Distribution Plant			(49,916)			\$ (49,916)	
3	---General			-	\$ (51,355)			
<b>FEDERAL &amp; STATE - Sec 263A Deduction</b>								
4	---Transmission Plant			\$ 3,690				
5	---Distribution Plant			20,038			20,038	
6	---General			-	\$ 23,728			
<b>FEDERAL &amp; STATE - Cost of Removal &amp; Salvage</b>								
7	---Transmission Plant			\$ (1,318)				
8	---Distribution Plant			(5,278)			\$ (5,278)	
9	---General			391	\$ (6,205)		327	
<b>FEDERAL &amp; STATE - Cost of Removal &amp; Salvage Amortization</b>								
10	---Transmission Plant			\$ 1,446				
11	---Distribution Plant			3,710			\$ 3,710	
12	---General			550	\$ 5,706		458	
<b>STATE - Total Tax Depreciation</b>								
13	---Transmission Plant			\$ 45,258				
14	---Distribution Plant			130,159			\$ 130,159	
15	---General			-				
16	---Smart Meter			27,822			27,822	
17	---Non-Utility			101	\$ 203,340		\$ 157,981	
<b>FEDERAL - Total Tax Depreciation</b>								
18	---Transmission Plant			\$ 40,463				
19	---Distribution Plant			134,425			\$ 134,425	
20	---General			-				
21	---Smart Meter			31,788			31,788	
22	---Non-Utility			101	\$ 206,777		\$ 166,213	
<b>FEDERAL &amp; STATE - Straight Line Book on Tax</b>								
23	---Transmission Plant			\$ 22,168				
24	---Distribution Plant			72,646			\$ 72,646	
25	---General			55,228			51,690	
26	---Smart Meter			-	\$ 150,042		\$ 124,336	
<b>FEDERAL for Deferral - Tax Basis Adjustment</b>								
27	---Transmission Plant			\$ 542			\$ (2,130)	
28	---Distribution Plant			(2,130)			432	
29	---General			350			(666)	
30	---Smart Meter			(666)	\$ (1,904)		\$ (2,364)	
<b>FEDERAL for Deferral - Tax on Accelerated Tax Depreciation</b>								
31	---Transmission Plant			\$ (4,842)			\$ (19,828)	
32	---Distribution Plant			(19,828)			(3,200)	
33	---General			(1,609)			(9,710)	
34	---Smart Meter			(9,710)			\$ (32,738)	
35	---Non-Utility			81	\$ (35,908)			
<b>Deferred Income Taxes -- Account # 282</b>								
			ADIT					
36	---Transmission Plant		\$ (140,640)					
37	---Distribution Plant		(424,963)	(424,963)				
38	---General Plant - Transmission		(7,355)	(52,432)				
39	---General Plant - Distribution		(52,432)	(37,737)				
40	---Smart Meter		(37,737)					
41	---Non-Utility		(443)	\$ (663,570)	\$ (515,132)			

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Historic Test Year - 12 Months Ended December 31, 2017**  
**(\$ in Thousands)**

**Schedule D-18**  
**Witness: Simpson/O'Brien**  
**Page 3 of 3**

**HISTORIC YEAR ENDED DECEMBER 31, 2017**

Line #	Description	[ 1 ] Reference Or Factor	[ 2 ] Tax Rate	[ 3 ] Factor
<b><u>GROSS REVENUE CONVERSION FACTOR</u></b>				
1	GROSS REVENUE FACTOR			1 000000
2	UNCOLLECTIBLE EXPENSES			<u>(0 012500)</u>
3	NET AFTER UNCOLLECTIBLE COMPONENT	L 1 + L 2		0 987500
4	GROSS RECEIPTS TAXES	[ 3 ] L 3 * Rate [ 2 ]	(0 0590)	(0 058263)
5	PUC / OCA & SBA Assessment as a % of Revenue			<u>(0 001461)</u>
6	NET REVENUES	Sum L 3 to L 5		0 927776
7	STATE INCOME TAXES	[ 3 ] L 6 * Rate [ 2 ]	9 990%	<u>(0 092685)</u>
8	FACTOR AFTER STATE TAXES	L 6 + L 7		0 835091
9	FEDERAL INCOME TAXES	[ 3 ] L 8 * Rate [ 2 ]	35 000%	<u>(0 292282)</u>
10	NET OPERATING INCOME FACTOR	L 8 + L 9		<u>0 542609</u>
11	GROSS REVENUE CONVERSION FACTOR	1 / L 10		<u>1 842269</u>
12	INCOME TAX FACTOR O FOR GROSS REVENUE	- L 7 - L 9		<u>38 497%</u>
<b><u>INCOME TAX FACTOR</u></b>				
13	GROSS REVENUE FACTOR			1 000000
14	STATE INCOME TAXES	[ 3 ] L 13 * Rate [ 2 ]	9 990%	<u>(0 099900)</u>
15	FACTOR AFTER STATE TAXES	L 13 + L 14		0 900100
16	FEDERAL INCOME TAXES	[ 3 ] L 15 * Rate [ 2 ]	35 000%	<u>(0 315035)</u>
17	NET OPERATING INCOME FACTOR	L 15 + L 16		0 585065
18	GROSS REVENUE CONVERSION FACTOR	1 / L 17		<u>1 709212</u>
19	Combined Income Tax Factor On Taxable Incon	- L 14 - L 16		<u>41 494%</u>

1 077846